Daily Report

Latin America

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FBIS-LAT-92-232 *2 December 1992*

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Cuba

Commentary on Renewed Trade Ties With Russia

PA0112135792 Havana Radio Havana Cuba in Spanish 0000 GMT 1 Dec 92

[Roberto Morejon Commentary]

[Text] The recent signing by Cuba and Russia of five agreements to strengthen ties between the two countries could mark the beginning of a process of readjusting economic relations to fit new worldwide structures.

As a result of the changes in the former socialist community, every form of exchange with Cuba almost completely disappeared, to the extreme that by the end of 1992 trade both ways will amount to a scarce 7 percent of what it was in the past.

If for Cuba this represents a loss of over three-fourths of its market, for Russia especially it implies a sudden decrease in its shipments to the Caribbean island, which had been receiving machinery, raw materials, and many other products from the former USSR on a regular basis.

These products, which are now facing tough competition on the international market—which was heretofore unknown to their manufacturers—are essential for Cuban industry, the design of which for three decades has been based on technological concepts that prevailed in the former Soviet Union.

Cuba could not do otherwise during those years because the U.S. blockade hindered its access to a large part of western technology. With the decline of exchange between Cuba and Russia, the latter also encountered setbacks, among them the reduction of Cuban sugar, citrus, and nickel, which for years had filled the needs of the former Soviet Union. To all of this we must add the insufficient western aid to Moscow, which is forcing the Russian Government to restore certain commercial ties.

In view of these realities, progress began to be made—not without difficulty—in Cuba's negotiations with Russia, which culminated with the signing at the beginning of November of agreements involving economic and commercial cooperation, navigation, and the permanence on the island of a radio electronic center that belonged to the former USSR.

Also agreed on was the creation of a joint, intergovernmental commission for economic cooperation and a trade exchange and payments protocol. The exchange of oil for sugar and the prospect of promoting joint ventures seem to be the distinctive features of agreements that, although economically modest, express a desire to establish new groundwork for exchanges that should also be stable and predictable.

FAR, Minfar Officials Honor Russian General

FL0112034692 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 1 Dec 92

[Text] The Ernesto Guevara Order, First Degree, and the Internationalist Combatant Medal, First Class, were awarded today to Colonel General (Grigoriy Antonovich Biesmierni) the chief of the group of Russian military specialists in Cuba. Division General Ulises Rosales del Toro, a member of the Politburo of the Communist Party of Cuba and the first vice minister of the Revolutionary Armed Forces [FAR], presented both awards to the high-ranking military leader in a ceremony held at the Ministry of the Revolutionary Armed Forces [Minfar].

Rosales, who is also the chief of the FAR General Staff, said these decorations are a sign of the respect, affection, and admiration of the Cuban people and their soldiers, and that with them the Council of State, at the suggestion of the minister of the FAR, has recognized the services he rendered in strengthening Cuba's defense.

Colonel General (Biesmierni) worked for three years at the head of the Russian military advisers, whose different units and hierarchical levels have provided cooperation in Cuba. In heartfelt terms, the officer expressed thanks for such high honors and his satisfaction and honor at having been able to contribute to improving the Cuban people's defense capabilities. (Biesmierni) said: Upon returning to my country, I will take with me the warmth, understanding, and affection of this people, its soldiers and leaders, which, I can assure you, will remain forever in my heart.

Also attending the ceremony were Russian Ambassador to Cuba Arnold Kalinin, vice ministers of the FAR, Minfar directorate chiefs, and Colonel (Nikolay Klodin), the Army, Navy, and Air Force attache at the Russian Embassy in Cuba.

Regular Managua-Havana-Moscow Flights To Resume

PA2811040592 Havana Radio Havana Cuba in Spanish 0000 GMT 28 Nov 92

[Report by Edgar Barberena from Managua—recorded]

[Text] The regular Managua-Moscow flights and vice versa, through Havana, will be resumed in December 1992 in Nicaragua, after an interruption of more than a year. The announcement was made by (Vladimir Tupink), general manager of the Russian International Airlines, Aeroflot, in Managua. The manager of the Russian International Airlines, which is the new name for Aeroflot, added that the resumption of flights through Havana—although these have a commercial value—is due to the many customers in Nicaragua who want to travel to Cuba.

With Aeroflot, the Nicaraguans will be able to travel to Cuba more frequently, less expensively, and will avoid

many inconveniences, he said, pointing out that currently there is no airline traveling directly to Cuba. He said the decision was made after making several studies of the Nicaraguan market, where we will try to solve the problem. We are aware of how much the Nicaraguan people appreciate Cuba, he added, particularly the many patients who wish to receive medical treatment in Cuba.

We are going to guarantee that the Nicaraguans will be able to travel to Cuba on safe planes, offering them a first class service that is recognized worldwide, he said. He said there will be at least three flights per month, and this will increase according to the demand. He announced the itinerary to Moscow will be the same: Managua-Havana-Shannon-Moscow.

(Vladimir Tupink) pointed out that the Managua-Moscow flights through Havana were suspended due to the crisis on the island and the political changes made in both Nicaragua and the former USSR. He said Aeroflot began to experience a crisis for lack of customers, and now this step is very important for us. He said the reactivation of the airline includes remodeling the office located at Spanish Square in Managua, flying from Managua to several South American cities, and resuming contacts with travel agents.

We must recover the market, and for this, we are doing everything possible because Aeroflot is one of the best airlines in the world and we are determined to ensure that Nicaraguans will be able to enjoy our services.

Number of Provincial Representatives, Deputies Set

FL2511195592 Havana Radio Rebelde Network in Spanish 1255 GMT 25 Nov 92

[Text] The National Electoral Commission has approved the figure of 1,190 for the number of representatives to the provincial assemblies and the figure of 589 for the number of deputies to the National Assembly of the People's Government. These figures for the number of seats correspond to what is established in the electoral law, in accordance with the number of inhabitants of each place and based on an estimate of 10,821,684 inhabitants. This figure has been adopted as the official figure for these elections.

During the commission meeting presided over by Carlos Amat, the progress of the process of nominating candidates for municipal delegates was assessed as positive, one week after this step was taken. It was also pointed out that a majority of provinces has held approximately two-thirds of the assemblies scheduled.

Among other things, the work being done by the computational group was discussed. This was considered an important element of the informational system that will guarantee the automated election data process.

Nominations for Municipal Assembly Completed

FL0112005592 Havana Cuba Vision Network in Spanish 2320 GMT 30 Nov 92

[Text] The process to nominate candidates as delegates to the municipal assemblies concluded 24 hours earlier than anticipated by the National Electoral Commission, with a total of 24,209 district assemblies and more than 5.5 million voters. Over 28,000 candidates were nominated. Of them, 4,227 were women; 5,534 were young people between the ages of 16 and 30; and 8,255 were incumbents.

Beginning immediately, voters need to verify whether they are on the voter lists of the districts to which they belong. On [word indistinct], the photos and biographies of the candidates will begin to be displayed in central locations, and on 13 December the electoral commissions will verify the condition of the schools, ballot boxes, communications, and everything necessary to hold the elections as hoped. Remember, the first round will be on 20 December, and the second round will be on 27 December.

Electoral Committee Chairman on Cuban System

PA2811220692 Havana Radio Havana Cuba in Spanish 0100 GMT 27 Nov 92

["Continuation" of interview with Dr. Carlos Amat, chairman of the Cuban National Electoral Commission, with Pedro Martinez Pirez in Havana, date not given—recorded]

[Text] [Martinez] Amat, when talking about the Cuban electoral system and democracy, I think it would be interesting, important, and necessary for you to analyze or assess the similarities and differences between this electoral process and others. Radio Havana Cuba has given wide coverage to the recent elections in the United States and many other countries. We would like to know what the similarities and differences are between this Cuban election and the experiences of other countries and, even, previous Cuban experience?

[Amat] Frankly, I am not familiar with elections elsewhere in the world. I am familiar with some elections, however, chiefly because of the coverage given by the local and foreign media. Considering elections have been held in many countries of the world, what does stand out when one analyzes and compares these processes with ours is that there are substantial differences, which is quite logical. Those countries are really involved in a clash among parties, and that is not the case here. In other countries, opposing groups vie to reach power. In our case, it is not a struggle among parties, because the Communist Party of Cuba, which governs our society, does not intervene in this process as a party. It is, instead, the selection of the best citizens by the masses, not by political parties as it happens outside our country. Here, the masses choose the best citizens to govern the life of our country.

This guarantees that the true interests of the people are represented in our government. I am not so sure that the legitimate interests of the people are represented in elections held outside Cuba, first because partisan interests intervene, and second because the candidates in other countries must have the economic power to wage election campaigns, considering the characteristics of the campaigns there. That is not how it is here. We have no campaigns, instead citizens become informed about the candidates' background. That means substantial differences exist that are logical because we are dealing with two systems with different objectives and aspirations.

That said, we can add that our electoral law makes voting voluntary. It is not compulsory. In Cuba, voting is voluntary, and for that reason it shows the maturity and civic spirit of citizens. People vote not because the law compels them to do so. I think another difference must exist in voting age. In Cuba, people 16 years old can vote, but in other countries the voting age is a little higher. I do not know if the voting age in any country is the same as Cuba. The fact a person may cast his free and secret ballot from the age of 16, also constitutes a sign of the level of culture and maturity our people have reached. It also shows confidence in the capacity of the young people to choose the best citizens to rule the destiny of our country.

Another difference is that servicemen vote here. We do not think in terms of division of power or military castes. As our Camilio Cienfuegos once said: The military are the people in uniform. For that reason, they are a part of the people, have the same interests of the people, and share the same anguish, joys, sorrows, and needs. For that reason, they are entitled to express their views during an election. As I said a short while ago, another element that sets our process apart is that we have no campaign propaganda, something we disparagingly refer to as politicking.

In other systems, the people are sold an image. That image is often just a photograph of a person with a more or less pleasant face. For the purposes of propaganda, he is portrayed as a very loving father or man with a host of virtues, although his life or actions may belie that image. It may be that his image is totally unrelated to his conduct. In our system, we do not judge by those appearances or that sort of star system [preceding two words in English] that is created. The best propaganda for our delegates or candidates to different positions is really the aspects of their lives. The people are told of their candidates' life histories, devotion to the community, concern for their civic and family duties, work, level of responsibility, and the development they have reached along their path to self-improvement and education.

In sum, their lives and the fact they are models within their communities and society serve as a guarantee.

Science Workers Union Established in Havana

FL3011210492 Havana Radio Rebelde Network in Spanish 1800 GMT 30 Nov 92

[Text] The provincial science workers union was established in Havana, in the presence of our Commander in Chief Fidel Castro, the president of the Councils of State and Ministers. Before more than 200 participants, Lucy Gispert gives us an overview of what happened.

[Lucy Gispert] The idea of establishing a science workers union was proposed by Fidel himself, so that together with the movement of the National Forum of Spare Parts, Equipment, and Advanced Technology and the creation of scientific hubs, it could make up the integrating force needed for Cuba's development.

Fidel, who was present from the beginning of the meeting, which was held at the Pedro Kouri Tropical Medicine Center of the western scientific hub, expressed interest in the work that is being carried out by some centers, such as the molecular immunology center. He also learned about some of the most important products of the Genetic Engineering and Biotechnology Center.

The commander in chief pointed out the strategic importance for the country of a group of investments that are being made in the capital to make some of these products on an industrial scale. The products are the direct result of the research carried out by the above-mentioned institutions, the National Center for Scientific Research [CENIC], institutes subordinate to the state's central administration and the universities, and others.

The science workers union in Havana City, which has the highest number of members because of the economic importance of the province, has more than 28,000 members. The union was established with a 48-member provincial committee and an executive secretariat. During the ceremony, Marcia Cobas was elected secretary general.

Castro Meets With Union Members

PA3011195492 Havana Radio Havana Cuba in Spanish 1300 GMT 30 Nov 92

[Text] Cuban President Fidel Castro said in Havana that in spite of the special period the country is facing, scientific work is advancing and is developing. At a meeting with Havana Science Union [Sindicato de Ciencia de Ciudad de la Havana] members, Castro said the recently formed union will contribute to greater achievement by Cuban scientists.

Fidel Castro expressed interest in the new rules that regulate the granting of scientific status to Cuban researchers; 5,200 of whom have different degrees within their respective specialists, according to Rosa Elena Simeon, President of the Cuban Academy of Sciences.

During the meeting, the researchers informed the Cuban president about pharmaceutical production, the use of

high- technology equipment in medicine, as well as the number of specialists who work in the investigation centers.

Raul Castro Chairs Military Council Meeting

FL0112035292 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 1 Dec 92

[Excerpts] Army General Raul Castro chaired the meeting of the expanded military council of the Central Army. On this occasion, the second secretary of the Central Committee and minister of the Revolutionary Armed Forces [FAR], along with party leaders and FAR chiefs and officers, toured areas of interest in that region. The first resolution of the council, which began on the morning of 28 November in the city of Sancti Spiritus, was an evocation of the historic crossing by the Granma at a time when its 36th anniversary is being celebrated. [passage omitted]

Division Generals Leopoldo Cintra and Ramon Espinosa, chiefs of the Western and Eastern Armies, respectively, participated as guests in the council's work. The first secretaries of the party provincial committees in the central region, who are also the chairs of the defense councils, had considerable participation in the meeting, as they gave detailed reports of the status of defense preparation work as well as the economic and social tasks that are most directly connected with that work.

Thus, they analyzed the progress of the food program, the sugar harvest—cutting and milling has already started at some agroindustrial complexes—reforestation, the Turquino Plan in the mountainous areas of the region, and the compliance in general with commander in chief's instructions for the special period. These reports were given by Politburo members Nelson Torres and Alfredo Hondal, speaking for Cienfuegos and Ciego de Avila Provinces, respectively. Central Committee members Jorge Valdes of Sancti Spiritus Province, Tomas Cardenas of Villa Clara Province, and Luis Alvarez of Matanzas Province also spoke. Division General Ulises Rosales del Toro, a Politburo member and chief of the FAR General Staff, spoke about some applicable military points.

Raul spoke briefly about the international situation, stressing Cuba's great victory at the UN General Assembly and other expressions of resistance by governments and all peoples of the globe against the policy of the United States to make itself the supreme policeman of a unipolar world. He also stressed the importance of the electoral process that is currently underway in this country as an expression of the enormous support of the masses for their social system, their single party, and their leaders, and the masses' real participation in the formation of the governing bodies from the district councils, to the municipal and provincial assemblies, to the National Assembly of the People's Government. He concluded: The most democratic system in the world is being improved even more by the election, through secret and direct voting, of all the members of the governing bodies.

Sancti Spiritus Province's achievements in health care were presented to the council participants. They were very interested in the products of a provincial laboratory which has recently been created to promote alternative medicine and new medicines made from chitin—which is extracted from lobster shells—[word indistinct], zeolite, and animal blood corpuscles.

The residents of Sancti Spiritus Province are paying priority attention to preparing the theater of military operations, using the voluntary work of all the people to prepare the nature advantages its mountainous geography offers and its numerous caves. Near the beautiful city of Trinidad, the large caves, possible shelters for the 40,000 inhabitants in the event of enemy bombardment, are being turned into recreation centers and restaurants in peacetime.

The industrious hands and talents of the workers of Sancti Spiritus have created two mobile medical units, one for rural areas and the other for the mountainous region. They have laboratories, consulting rooms, surgical units, and other services. The tram, [words indistinct] horse-drawn vehicles, and other forms of passenger transportation are (?the response of the masses] to the difficulties of the special period. The minister of the FAR warmly congratulated the workers at the Transportation Ministry workshops and other work centers who are working together in this task for the creative initiatives they have developed to cope with the shortage of fuel. He recommended that their achievements be publicized and applied throughout the country.

In his concluding words, Comrade Raul described as satisfactory the work done in the period under analysis to strengthen defense in the country's central region. He stressed that we have an inexhaustible resource: the revolutionary awareness and heroism of millions of Cubans, who are faithful to the rich traditions of patriotic combat which make them invincible to the extent that they prepare in the best way to wage the entire people's war if the enemy should dare to launch a direct attack against Cuba.

Sime Official on Continuing Industrial Production

FL2711224192 Havana Radio Rebelde Network in Spanish 1800 GMT 27 Nov 92

[Text] The search for economical alternatives to make production feasible in those industrial sectors where it is possible is imperative under the current circumstances. The Ministry of the Steelworking Industry [Sime] is proposing to do this, as Vice Minister Jose Aranaburo has confirmed to reporter Carlos Santana Ojeda.

[Begin recording] [Santana] In the new situation the country is experiencing, what change in mentality is needed at Sime enterprises?

[Aranaburo] The main thing is that each working group—and when I say each management working group, I mean the management, the party, the union, and the young Communists—must be able to find its own work content. The country has specific development programs. There are important programs for developing the country's economy, and each working group has to find where it can function based on the nature of its production, and find its own work content.

[Santana] How can we mangage to keep these working groups alive?

[Aranaburo] First, by finding out what to do, by finding out which products with the required quality we can make more cheaply than any international producer, with the same quality, and in a timely way. It is also important for each group to make an effort to promote its own subsistence; that is, to perform self-sufficiency tasks, prepare for self-sufficiency, find the resources, and find financing.

The installed capacity is there, in both the material and the human spheres. We have industrial capacity, we have skilled workers, highly skilled workers, and we have revolutionary, trained personnel. With these conditions, there is no working group that will have to come to a halt if we manage them in the right way. [end recording]

Lazo, Hondal Tour Ciego de Avila Province

FL2611165692 Havana Radio Rebelde Network in Spanish 1255 GMT 26 Nov 92

[Report by Ciego de Avila correspondent Fernando Sanchez]

[Text] Esteban Lazo Hernandez, a member of the Politburo of the Communist Party of Cuba and party first secretary in Santiago de Cuba Province, has taken an extensive tour, visiting the eight contingents working in agriculture and construction in Ciego de Avila Province. He was accompanied by Alfredo Hondal Gonzalez, who is also a member of the Politburo and who is the party's top leader in Ciego de Avila Province.

The tour began here in this chief municipality, where the Mario Munoz Third Eastern Center Contingent is working 70 caballerias of bananas irrigated by the microjet system, and included visits to the three contingents of the Arnaldo Ramirez Miscellaneous Crops Enterprise in Primero de Enero. On that occasion, Lazo Hernandez announced that Santiago de Cuba will benefit from the plantain, potato, and other crops that will be produced on over 400 caballerias in Ciego de Avila Province.

Later that night, the group visited the Jardin Los Cocos Hotel, the future tourist center in the string of keys in northern Ciego de Avila Province where three contingents from Santiago de Cuba are contributing to finishing that important installation of more than 400 rooms sometime at the end of this year and beginning of the next.

During his frank and informal talks with the Santiago de Cuba workers in Ciego de Avila Province, Lazo stressed that Cuba's recent victory at the United Nations constitutes indisputable evidence of the prestige that our country has been able to win from the world. Speaking of the efforts of the workers from Santiago de Cuba in Ciego de Avila Province, he said:

[Begin Lazo recording] [Words indistinct] that once the special period is over and has become a part of Cuba's rich history of heroism and victory, all those who lived during these times will also have a little place in that history—a terrible period!—and even if no one pins it on them, they will be wearing a medal of honor on their hearts, the medal of honor [words indistinct] the Revolution and Socialism. [applause] [end recording]

Price Reforms, New Accounting System Discussed

FL2611165992 Havana Radio Reloj Network in Spanish 1503 GMT 26 Nov 92

[Text] The economic thought of Che [Guevara] has been present at the roundtables, panel discussions, and talks that have been going on during the event that economists from all over the country have been holding in celebration of Economists' Day, 26 November. The meetings that have taken place between university graduates and students of economics who are in their final year of study have also given rise to interesting exchanges of experiences.

This event, held on the occasion of Economists' Day, has also allowed these professionals to buttress the reform of wholesale prices that went into effect last October, and to perfect finances with a view to the new accounting system that will be in effect in Cuba next year.

The main Economists' Day ceremony will be held in Camaguey today, and the summons to the fourth congress of the economists association will be made during the cremony. The congress is scheduled to be held in November of 1993.

Lack of Fuel Causes Unplanned Power Outages

FL0112215692 Havana Radio Reloj Network in Spanish 2042 GMT 1 Dec 92

[Text] Even though there has been an attempt to limit power outages to the scheduled times of day, it has been necessary to cut off power to municipalities in Havana City Province that did not have outages scheduled, due to a lack of fuel at the electricity generating stations.

Prioritized circuits and the underground lines have also been disconnected, since the electricity demand is much higher than the generating capacity of the national

system. The management of the basic [electricity] organization of Havana City Province urges its residential and state consumers to intensify their electricity conservation measures and use this essential energy in the most rational way possible. The management also apologizes for all the inconveniences these outages cause.

Roundup of Economic Activity Reported 18 - 25 Nov

FL2711235992

[Editorial Report] The following is a compilation of fileworthy reports on economic developments in Cuba carried on Havana radio and television in Spanish between 18 November and 25 November.

Radio Reloj at 2030 GMT on 18 November reports that the Camaguey chemical plant has resumed production after a year's standstill due to lack of resources. The plant hopes to produce 8,000 tons of ammonium nitrate to be used on the sugar crops.

Radio Rebelde at 0000 GMT on 19 November reports that mobilized workers and students in Jague; Grande have harvested over 6 million quintals of citrus during the present campaign. Over 7,200 tons of grapefruit have been exported from the Isle of Youth, with an additional merchant vessel under loading. Rebelde notes that 3 million glass containers have been recycled by members of the Committees for the Defense of the Revolution. The report adds that members of the Coronel Mambi Juan Delgado Contingent in Havana have harvested over 150,000 quintals of agricultural products this year.

Radio Reloj at 2046 GMT on 20 November reports that this year's citrus harvest amounts to 6.26 million quintals at Victoria de Giron Scientific Production Center in Jaguey Grande Municipality, Matanzas, and that this center produces 40 percent of the national citrus production, mainly oranges and grapefuits. Reloj notes that seven percent of this citrus has been exported as fresh fruit, 35 percent was allocated for industrial processing, and the rest is for consumption in Havana City and Matanzas Provinces.

Radio Rebelde at 1800 GMT on 21 November reports that 1.6 million quintals of rice have been harvested in Granma Province so far, with 55 percent of the total area harvested. Average yield has been almost 2,000 quintals per caballeria, the highest in recent years, leading the nation in this indicator. The 1992 planting plan of 2,942 caballerias has been fulfilled.

Radio Rebelde at 1000 GMT on 23 November reports that Politburo Member Nelson Torres Perez highlighted the efforts made by the people in Cienfuegos in the coffee harvest of that province.

Tele Rebelde and Cuba Vision Networks at 0100 GMT on 25 November report that one characteristic of the nickel industry is the concentration in Holguin Province of the majority of its resources. The report notes the proximity of mines, plants, and ports which makes production costs very low. The report notes that the Ernesto Che Guevara and Pedro Soto Alva plants in Moa and the Comandante Rene Ramos Latour plant in Nicaro are three plants capable of producing 65,000 tons; investments in the Camariocas plant will increase production by another 30,000 tons. The report notes the complex system of mechanization of the industry in Nicaro and Moa, adding that the industry employs 18,500 workers, 19 percent of whom are women.

Radio Rebelde at 1800 GMT on 25 November carries an interview with Maria Laura Gonzalez, manager of Cuba's first biological pesticides factory located in Guira de Melena, who explains that the plant will save the nation much hard currency by producing locally what formerly had to be imported. Gonzalez adds that under current conditions, the plant's stable production is 120 tons per year; with modifications, it could possibly almost double its production.

Rebelde also reports that "favorable results have been obtained in the work of finding, classifying, and evaluating new deposits of precious stones in Moa Municipality, Holguin Province, in terms of the quality, quantity, and variety of these minerals," which include opals, jasper, agate, and geodes.

Comentator on 'Contribution' to War on Drugs

PA2811013192 Havana Radio Havana Cuba in Spanish 0000 GMT 27 Nov 92

[Roberto Morejon commentary]

[Text] Drug addiction is not a social problem in Cuba where cocaine, marijuana, and other drugs are neither produced nor exported. Nonetheless, individuals at the service of narcotics trafficking frequently enter Cuba, and they are harshly punished according to our laws. Two Jamaicans and one Bahamian currently are undergoing trial in eastern Guantanamo Province, near where they were captured aboard a boat on May 1992. The three were planning to pick up a marijuana shipment that some criminals had hidden on a beach.

Individuals at the service of illegal drug trafficking are trying to take advantage of the fact we have 2,000 keys in the Cuban archipelago that, for material reasons, the specialized forces are unable to protect in a simultaneous and permanent manner. Nonetheless, Cuba has given sufficient evidence of its willingness to fight everything related to drugs or any attempt to involve the country in narcotics trafficking. From 1990 to mid-1992, the Cuban coast guard captured red-handed 36 drug traffickers.

The UN program for international investigation of drugs has praised the effectiveness of the Cuban authorities. The United Nations has placed Cuba among the top 10 countries of the western hemisphere which fight drug traffickers and seize cocaine and marijuana. In spite of

these favorable evaluations, the United States has intensified its propaganda campaign to depict Cuba as a state that sponsors drug trafficking.

U.S. official sources and the media have distorted the trial that took place in 1989 and which culminated in sentences of capital punishment and imprisonment for officials who, on an individual basis, were involved in drug trafficking. In addition, the United States refuses to accept Cuban proposals for seeking formulas of joint work with a view to stopping the illegal flow of drugs toward that northern nation through the Caribbean.

Washington's hostile policy toward Cuba prevents it from recognizing the importance of negotiating with Cuba on an equal basis. Meanwhile, the lack of cooperation between the two countries hinders an increase in the effectiveness of the regional struggle against illegal drug trafficking, of which the United States is solely responsible.

Inter-Caribbean Affairs

Study Reveals Billions Needed for Infrastructure

FL0112203992 Bridgetown CANA in English
1929 GMT 1 Dec 92

[Text] Kingston, Jamaica, Dec 1, CANA—A New World Bank study has highlighed the massive deterioration of the infrastructure in Latin American and Caribbean countries during the decade of the 1980's and the need for billions of dollars in rehabilitative investment if they are to meet the requirement of the next century. The study, released here Monday at the start of a one-week conference on infrastructure and road maintenance in the region, underlined the economic loss and social consequences of the lack of water, roads, sewerage, and electricity supplies, but argued that the decision-makers did not sufficiently appreciate the consequences of the neglect.

"Unfortunately, available evidence suggests that decision-makers inside and outside the infrastructure sectors do not appreciate sufficiently the dimensions of the economic and financial consequences associated with maintenance neglect," said the study, prepared by the infrastructure and energy division of the bank's Latin American and Caribbean department. "A major problem with maintenance is its lack of visibility and the fact that the consequences of maintenance neglect initially are often not very perceptible," it added.

The Kingston conference comes after extensive study by the World Bank of the infrastructural problem in the hemisphere which has seen a decade of adjustment and drastic reductions in spending in the social sector and infrastructure. According to the World Bank of the 420 million people who lived in Latin America and the Caribbean in 1989, some 18 percent did not have public water supply and 42 percent did not have sanitation facilities.

"To meet the needs of these people and of about 90 million more from expected population growth, annual investments of about U.S.10 billion dollars are needed throughout this decade," said the report in its overview of the region's infrastructure. Additionally, some 30 percent of the region's poplation lacked electricity services and to maintain that coverage at the end of this century would require investment of U.S.62 billion dollars. "If service coverage were to increase to around 80 percent, with close to 23 million residential customers, corresponding investment would be about U.S.120 billion or an average of U.S.13 billion dollars a year," the World Bank pointed out.

During the boom years of the 1960's and early 1970's, Latin American and Caribbean countries invested heavily in roads and the 2.2 million km now in place have a replacement value conservatively estimated at U.S.96 billion dollars. But the roads have deteriorated badly and would require about U.S.2.5 billion dollars a year over the next decade to prevent further deterioration. Another U.S.4 billion dollars a year would be required to upgrade the network to efficiently carry current and projected traffic over the same period.

Said the report: "All available evidence indicates that the region's physical infrastructure, because of its critically deteriorated state, is fast becoming the third deficit after those in the balance of payments and human resources. Service unreliability in both power and water and sewerage systems, high level of electricity and water losses, and poor quality of electric and water services, high generation costs for electricity, and poor road conditions are all manifestations of maintenance neglect."

More specifically, the World Bank estimated that maintenance neglect in the power sector alone, cost Latin America and the Caribbean U.S.360 million dollars in losses in thermal generation alone, U.S.920 million dollars in electricity losses, and another U.S.580 million dollars in lost sales revenue due to power outages. The water and sanitation sector loses up to U.S.1.5 billion dollars a year in revenues and additional operating costs "from avoidable commercial and technical losses directly attributable to deficiencies in maintenance and operations practices."

Satellite Network Begins Operating 1 Dec

FL0112181392 Bridgetown CANA in English
1718 GMT 1 Dec 92

[Text] Bridgetown, Barbados, Dec 1, CANA—The world's first television station transmitting 24 hour Caribbean programming via satellite, began operations in Miami on Tuesday, its management reported. Chief operations officer of Caribbean Satellite Network (CSN), Garth Rose, told CANA that the signal was being transmitted via Galaxy 3 on Channel seven.

Rose said that during the day Monday the station's logo and colour bars would be transmitted as a tester then starting 8:00 PM East Caribbean time (0000 hrs GMT)

there would be 24 hours of mostly music videos, spot documentaries, and some news.

"This is just a test situation and not the true programming which we will begin in January," Rose said. He said there would unfortunately not be a lot of material from the Eastern Caribbean since much of the programming collected there was below international broadcast quality.

CSN boss, Jamaican entrepreneur Delroy Cowan, says the station aims to be a catalyst for Caribbean commerce and tourism in addition to highlighting the culture of the region.

Dominica

PM In No 'Rush' to Divest Government Bank Shares

FL2611183892 Bridgetown CANA in English 1732 GMT 26 Nov 92

[Text] Roseau, Dominica, Nov 26, CANA—Dominica's prime minister, Dame Eugenia Charles, has hinted that her government does not favour quickly privatising the National Commercial Bank [NCB] in which it holds fifty-one percent of the shares. The question of privatisation of the NCB has been under discussion for a while now and the bank's chairman, Crispin Sorhaindo, told NCB shareholders this week that the government had been made aware of a study outlining the pros and cons of full privatisation of the island's only indigenous bank.

Sorhaindo indicated that the decision to privatise rests with the major shareholder, the government. But Dame Eugenia, who is the country's finance minister, while admitting that divestment of government shares in the NCB was under consideration, made it clear that her administration was in no real rush to divest.

Dame Eugenia said early consideration of the arguments reveal no benefits to be gained by the shareholders from the move and suggested that the NCB should consider playing a greater role in the country's development thrust, even if that meant the loss of some of its profits.

Haiti

Aristide Partisan Calls for Government Resignation

FL0112231192 Port-au-Prince Radio Metropole in French 1700 GMT 1 Dec 92

[Text] Father Gerard Jean-Juste, a close partisan of ousted President Jean-Bertrand Aristide, calls on the current authorities to give the power to the persons in charge of the commission appointed by Jean-Bertrand Aristide. Let us listen to him:

[Begin Jean-Juste recording, in Creole] Haitian compatriots, let us be reasonable. The embargo can be lifted in two weeks if we act wisely. Let the constitutional order reestablish itself in the country. Marc L. Bazin must return the power he stole to President Aristide without condition. Do not delay, ladies and gentlemen. Let us save Haiti. Let us save the Haitian people. General Cedras, Bazin, and all the rest, leave before it is too late. The tenth [department] has room for you. Go to the Dominican Republic, go to Peru. Let Haiti find its soul. [end recording].

Francois Latortue Criticizes Bazin Government

FL0112173492 Port-au-Prince Radio Metropole in French 1145 GMT 1 Dec 92

[Text] The Democratic Movement for the Liberation of Haiti/Democratic Revolutionary Party of Haiti, Modelh/PRDH, whose executive board held a meeting on 28 November, thinks it is unacceptable that an institution as serious as the Permanent Electoral Council [CEP] be formed hastily from a decree by a de facto government, subsequent to any specific law on the matter. According to Mr. Latortue's party, the government is forming the CEP by a closed procedure including the joke of voting with hands raised.

In its comments on the political conjuncture, the party criticizes the government for not offering the guarantees of impartiality regarding the political forces. According to Modelh/PRDH, the consensus government, reduced to the three National Alliance for Democracy and Progress parties which have supported Mr. Bazin's candidacy in the latest elections, only contributes to the worsening of political tensions, considering that the Tripartite Agreement has not satisfied the nation's expectations and that Article 148 of the Constitution is not legally applicable. Mr. Francois Latortue's party suggests the strict application of the imperative provisions of the 1987 Constitution.

National Assembly Postponed Due To Lack of Quorum

FL3011220792 Port-au-Prince Radio Metropole in French 1700 GMT 30 Nov 92

[Excerpt] [Announcer] [passage omitted] Six of the nine members of the electoral institution, representing the executive and the Supreme Court, have been chosen. It should be recalled that a session of the National Assembly had to be postponed on 25 November due to the lack of quorum in the Senate. A number of senators and deputies are rejecting this convening by Marc Bazin's government on the claim of unconstitutionality. Rothschild Francois, who is at the parliament, has the following details:

[Francois] Thank you. Good afternoon. The session of the National Assembly convened by the consensus government has not yet begun here at the Legislative Palace. In the session room of parliament, activity is slow. Only a few deputies are present in their seats. Many parliamentarians were seen, however, holding their checks at

the cashier counter of the National Bank of Credit, today being the last day of November.

But back to the chamber: It is to be noted that holding this session, during which parliamentarians must choose their three representatives to the Permanent Electoral Council, seems to be difficult. According to some parliamentarians we contacted, the quorum might be reached in the Lower Chamber, but the situation will remain complicated in the Senate where it is uncertain as to whether the thirteenth senator, required to begin the session, will be found. At the parliament, there is expectation. It is noon and nothing has yet begun. The president of the National Assembly has still not begun the session, and so far, the room is nearly empty. Rothschild Francois, Jr. from the parliament for Radio Metropole.

[Announcer] In the decree for the convening, the government reiterated its willingness to begin the process that will reach the organization for partial elections, for the renewal of one third of the Senate members. The government refers to Article 95-3 of the Constitution and Article 55 of the 9 July 1990 electoral law. Regarding the senatorial elections, the government asserts that it is imperative to proceed with the formation of the Permanent Electoral Council in compliance with the Constitution's provisions and with the Villa D'Acceuil agreement.

Further on Assembly Postponement

FL0112173392 Port-au-Prince Radio Metropole in French 1145 GMT 1 Dec 92

[Excerpts] The National Assembly convened by the consensus government was once again postponed due to a lack of quorum. The parliamentarians had to choose their representatives on the Permanent Electoral Council [CEP] whose formation is once again delayed.

The road to the formation of the CEP is definitively riddled with difficulties. The National Assembly convened by the consensus government to appoint its representatives on the CEP was impeded once again on 30 November. For the second time in less than a week, the parliamentarians could not meet in assembly for lack of quorum. The session was postponed by President Dejean Belizaire, who has asked his colleagues to be alert to a new convening.

Contrary to the 25 November session, the one on 30 November did not even begin. It is to be noted that the senators tried to meet in an informal session. Several parliamentarians wanted to sum up the disagreement between the two main blocs at the Senate. A few minutes after starting the debates, several senators intervened to decide on the formal or informal aspect of the session. The result of the vote was that seven senators were in favor of a formal session, while six refrained from voting and one was opposed.

President Dejean Belizaire decided finally to vote for the holding of a normal session. Such a decision was contested by Senator Rony Mondestin. He criticized the voting process and asked the three colleagues in his group to leave the room. Previously, Sen. Mondestin and President Belizaire had tried to defend their own logic regarding the voting process. [passage omitted].

Sen. Robert Opont thinks a consensus is needed today within the different blocs in the Senate. He thinks there are many important files to be debated at the Senate.

Regarding this new aborted session in the National Assembly on 30 November, Deputy Frantz Robert Monde once again invited his colleagues to resign in bloc in favor of holding new general elections in Haiti.

University Protests 'Arbitrary' Reform Measures

FL0212000892 Port-au-Prince Radio Metropole in French 1700 GMT 1 Dec 92

[Text] Students and professors of three of the university's colleges in Port-au-Prince are contesting the education minister's measure to dismiss the boards of directors in charge of the Faculty of Sciences, the Faculty of Human Sciences, and the Teachers Training College. In a statement dated 30 November, a group of professors from the Faculty of Human Sciences denounced the decision they consider arbitrary and unconstitutional. Clarence filed a report:

[Begin Clarence recording] About two weeks after the resumption of classes, Haiti State University is on the verge of a crisis, one that could disrupt the progress of the academic year that has just begun. At the root of it is a decision by Minister Max Carre regarding the administration of three of the colleges in Port-au- Prince: Sciences, Human Sciences, and the Teachers Training College. Intervening in these university cases, the education minister stated having noticed a sort of persistent discontent within the university. According to Carre, this situation could be the result of an unexpressed willingness by the persons in charge of the university to disdain its guiding principle. The minister also notes a crumbling of the dean's authority, increasing disruption, and an anarchic tone within the university, which is being transformed, he said, into a den of politics aimed at general upheaval. Therefore, in view of trying what he calls administrative and pedagogical redress, Max Carre considered dismissing three boards of directors, appointed at the Faculty of Sciences, at the Faculty of Human Sciences, and at the Teachers Training College. The minister also announced some national safety measures with the organizational structure of all the faculties and of higher schools of the university. The measure had an explosive effect and has raised a series of reactions inside and outside the university.

First, former Rector Roger Gaillard, professor at the Teachers Training College, sees an offensive against the progress of democracy within the university and an

insult to the assemblage of professors and students. Historian Roger Gaillard asks Minister Carre to reconsider his decision.

To the National Confederation of Haitian Teachers, these arbitrary dismissals represent a return of state authoritarianism to the university. According to the confederation, these continuous interventions only reinforce the institutional crisis racking the country, aggravate the social climate, and continue the logic of confrontation/provocation.

The National Congress Of Democratic Movements, CONACOM, the only political party that has reacted so far, believes the education minister's measure risks provoking a dangerous destabilization of the university. In addition, the party of Victor Benoit and Jean- Claude Bajeux expressed its solidarity with the professors and students concerned by those measures which according to CONACOM, mean, quote, a return to arbitrary practices that do not respect the standards of the law, unquote.

At the level of the faculties, the topic was a general assembly during which the students tried to find meaning in Minister Carre's decision. An attempt to privatize the university, re-macoutization, and a coup d'etat within the university, all the themes and hypotheses were raised during a very animated debate. If a general concensus has not been reached, it was because some committees reacted separately in order to denounce the arbitrary aspect of the measure that violated the 1987 Constitution, which provides for the autonomy of the university. Here we have a belated resumption of classes that had already been disrupted by a conflict between the university and governmental authorities. [end recording].

This Tuesday, the students at the Teachers Training College are protesting the installation of the new board of directors. We will have more details later.

St Lucia

Government, Petroleum Workers Disagree on Prices

FL0112173292 Bridgetown CANA in English 1621 GMT 1 Dec 92

[By Peter Richards]

[Text] Castries, St. Lucia, Dec 1, CANA—Gas stations across St. Lucia remained closed on Tuesday for the second straight day, despite an appeal from the government for dealers to act "in a responsible manner" by reopening their businesses. Commuters started to feel the effects of the indefinite shutdown by members of the St. Lucia Petroleum Dealers Association, as buses and other public transportation operators scaled down operations.

The dealers are seeking a 10 per cent increase in their allowable profit, and have urged the government to reduce the consumption tax on petroleum products so that they could get the increase without consumers having to pay higher prices. But Prime Minister John Compton dismissed the dealers' request in a nationwide radio and television address Monday night. He said any increase in petroleum prices would affect "every facet of national life."

"You will therefore appreciate the reason for the very tight control exercised by government on the movement of petroleum prices and government's reluctance to permit any increase without very careful examination of all the factors advanced to justify any increase," he added.

Compton disputed the argument made by the dealers that allowing them a 10 per cent increase in profits would not result in higher retail prices to consumers. He said if the increase was allowed, the government would be left with three alternatives including an increase in petroleum prices and higher taxes to re-coup its losses.

"The revenues received by government on petroleum products are used to assist in the maintenance and improvement of our roads system.... If these monies do not come from petroleum taxes, they must come from somewhere else as our roads cannot be allowed to deteriorate," he said.

Compton told the nation that petroleum dealers had been "the major beneficiaries of the economic improvements taking place" here in recent years. He said by 1991, with the consumption of petroleum products on the increase, the dealers had made a gross profit of EC5.58 million dollars (1 EC dollar = 37 U.S. cents) or "an average of 140,000 dollars per dealer or 300 per cent increase in a period of five years." He said while dealers might point to increased operating costs over the years, this was offset by the resulting rise in demand for petroleum products.

"It is for all these reasons, that the effect on the entire social and economic life, the very ramifications of the economy that government wishes to be fully satisfied that any increases are justified hence the suggestion of a thorough examination by the Caribbean Community (Caricom) secretariat."

Compton said the secretariat would be asked to carry out a thorough examination of the petroleum industry here and the implications of any price increase on the cost of living.

"In light of this explanation, government expects that the petroleum dealers will act in a responsible manner and re-open their outlets pending the examination...," Compton said.

President of the dealers association, John Elliott, told CANA Tuesday his group had written Compton seeking "an urgent and immediate meeting" on Tuesday to

discuss the issue. He said the meeting would discuss the time-framework for the review and also a guarantee that the dealers would receive a copy of the interim report. "It is quite possible that we will be able to reach a compromise today," he said.

Agreement Reached; Gas Stations Reopen

FL0112190492 Bridgetown CANA in English 1851 GMT 1 Dec 92

[Text] Castries, St. Lucia, Dec 1, CANA—Gas stations across St. Lucia were reopened Tuesday afternoon after the Petroleum Dealers Association said it had secured a meeting with government to discuss their case for a 10 per cent increase in their profits.

Petroleum prices here are set by the government. The dealers had shut down their gas stations Monday and Tuesday morning to press their case for the increase which they said could be achieved by lowering the consumption tax on petroleum products to avoid increasing prices to the consumer.

"Petroleum dealers wish to inform the general public that their service stations have been reopened as they have secured a meeting with the honourable George Mallet (the minister of trade) for this afternoon," association president John Elliott said in a statement.

Prime Minister John Compton, in a radio broadcast on Monday night, had appealed to the dealers to reopen their businesses pending a review of the petroleum industry by the Caribbean Community (Caricom) secretariat. Compton also had rejected the dealers' argument that the 10 per cent increase in their allowed earnings could be achieved without price hikes to the consumer.

The association said it would be making "a full statement later in response to prime minister's address." Mallet said he had asked the dealers to reopen their stations prior to the meeting as a "compromising gesture."

Trinidad and Tobago

GUARDIAN on Corruption in License Bureau

FL3011163892 Bridgetown CANA in English 1538 GMT 30 Nov 92

[Text] Port of Spain, Trinidad, Nov 30, CANA—Following is the text of the editorial in Monday's TRINIDAD GUARDIAN newspaper:

"A few months ago, operations at the Licensing Authority came into national focus when Transport Commissioner Emmanuel George and his family were subjected to a number of terrorist attacks. On one occasion, an attempt was made to burn down his home at Blue Range and, some time later, his daughter came in for some harassment. The reason for all this, we understand, was the fact that the commissioner had begun to crack down on dishonest practices at the authority which had become notorious as a hotbed of bribery and corruption.

"Because of the harrowing of the commissioner, this newspaper called on the authorities not only to afford him the required protection but also to look into activities at the Licencing Department where it seemed corruption had become almost endemic. Now the results of an investigation ordered by Works Minister Colm Imbert are being revealed, and the situation is even worse than we expected.

"Last month, Minister Imbert told Parliament that an estimated 15 million dollars to 20 million dollars in revenue was being lost through corrupt practices in this department. And yesterday, the SUNDAY GUARDIAN reported a massive racket in the sale of driver's permits which, according to an official source, going for "anything from 300 dollars to 1,000 dollars each, depending on the financial resources of the persons involved in this racket."

"In only one week's probing, it was discovered that a total of 2,110 of these illegal licences had been issued in Trinidad and 1,000 in Tobago. And this number had been described as "just the tip of the iceberg as the ongoing investigation is expected to unearth many more.

"It is mind boggling the kind of corruption that took place, and perhaps is still taking place, at the government department," a source told the GUARDIAN. It is also disturbing to think that, because of this scam, thousands of drivers on our roads have not taken the official test and may not even learned to drive properly.

"Now clearly, the extensive nature of corruption in this division requires nothing less than a full-scale investigation into every aspect of its operations. Also, if such dishonesty could thrive undetected in a major government agency for such a long time, then it is obvious that the system is bedevilled by serious flaws, that somehow the technology is not as effective or fool-proof as it should be.

"The task of rooting out corruption at the Licensing Authority, then, must not only be concerned with discovering acts of dishonesty and fraud and, where possible, weeding out the culprits, but also with ridding the system of its weakness so that opportunities for its exploitation would be eliminated. What seems needed, therefore, is a full-scale overhauling of this department.

"While we welcome this investigation at Licensing, we must also point out that some other government departments have acquired a similar reputation for graft and corruption. We would expect the relevant ministries to undertake the same searching kind of scrutiny."

Public Sector Investment Earmarked for $956 Million

FL2611183192 Bridgetown CANA in English 1746 GMT 26 Nov 92

[Text] Port of Spain, Trinidad, Nov 26, CANA—The Trinidad and Tobago Government plans to spend just under one billion dollars (one TT dollar—23.5 U.S. cents) in the 1993 public sector investment programme, with the largest investment going to the productive sectors.

The 956 million dollar programme for next year forms part of a multi-year investment programme totalling 4.1 billion dollars over the 1993-1995 period. According to the official document detailing the investment plan, within the prevailing resource constraints, the programme reflects the policy thrust enunciated in the medium term policy framework 1993-1995.

"In this respect, a major concern is to increase both the rate of Gross Capital Formation (GCF) and the efficiency resource utilization in both the private and public sectors, thereby contributing to the attainment of growth, diversification of the economy, and job creation."

Government said it will seek international, regional, and domestic funding for the central government and state enterprises programmes. The productive sectors which include agriculture, fisheries and foresty, energy, and manufacturing were allocated some 394.7 million dollars or just over 41 percent of public sector investment.

"In 1993, major emphasis will continue to be placed on the productive sectors in keeping with the objective of moving the economy from a mode of stabilization to growth, "the document stated. Taking the second largest bite, was social infrastructure which includes education, health, housing and settlements, social and community services, human resource development, training and support for employment, and urban and regional development.

Some 327.4 million dollars, or just over 34 percent of funding, will go towards this area. Government has also allocated 171 million dollars towards economic infrastructure, while 37 million dollars will go towards the public administration, and 24 million dollars to planning, project and programme development.

Government hopes to raise funds through loans from the Inter- American Development Bank, the Caribbean Development Bank, and other financing companies.

Companies Obeying Torricelli Law To Be Penalized

PA0212050092 Mexico City NOTIMEX in Spanish 0333 GMT 2 Dec 92

[Text] Mexico City, 1 Dec (NOTIMEX)—Deputy Foreign Secretary Javier Barros Valero has reiterated the Mexican Government will apply severe sanctions on local businesses with foreign capital that decide to abide by the Torricelli law, which tightens the blockade against Cuba. President George Bush signed the so-called Letter for Democracy in Cuba or Torricelli law on 23 October imposing penalties on businesses with U.S. capital in other countries that trade with Cuba. Last week the UN General Assembly approved a resolution against this U.S. initiative.

At the end of the ninth meeting of the Mexico-European Community Bilateral Commission, Barros Valero said Mexican trade relations are conducted according to Mexican laws, and if a business with foreign capital decides to abide by foreign regulations, it will be going against dignity and the law. He said: "The Mexican position is that the country's foreign trade is regulated by our mercantile laws and these same laws apply to any enterprise established in the country. They cannot abide by any other legislation."

Juan Prat Coll, general director of the European Community's North-South Relations Department, added that Europe also rejects the Torricelli law for its clear interference in the legislation of third countries. At a news conference, Prat Coll emphasized they are studying possible effects and sanctions for businesses that abide by the U.S. law.

The official noted, however, that Europe hopes Cuba will become democratic without any problems, but "problems will probably arise because of its stubbornness to continue with a system that is perhaps obsolete."

Prat Coll, who is Spanish, stressed that for Cuba to return to democracy, Fidel Castro must first be known [as received] because although it is true that the revolution once made some sense, it has now become obsolete.

"We would like to convince Castro that this is the moment to change toward governments and economic systems that have proven to be the only feasible methods in the world. We would like to convince him to march toward democracy on the island." Prat Coll said Europe cannot be engaged in such broad cooperation with Cuba as it has with Mexico given the absence of democracy, respect for human rights, social justice, and the absence of people's true participation in politics. He stated the EC is pleased that in Latin America democracy and the will for democracy has become widespread while the effort being made in the majority of the nations in the region to strengthen democracy is appreciated.

Prat Coll underlined the strengthening of democracy in Latin America comes in the wake of difficult structural adjustments, as these have taken into account the social aspects necessary to stabilize the changes. "I believe Mexico is one of the most brilliant examples of this effort to stabilize the economy while taking into account the social aspects," he commented.

Regarding the meeting that concluded on 1 December, Prat Coll noted the relations between Mexico and Europe have matured. These are two adults who understand each other and who work jointly and interdependently.

He also acknowledged that during the working meetings, concern was expressed over some terms contained in the NAFTA. Prat Coll explained that in Europe the terms of the NAFTA are being carefully studied. Some concern, he noted, has come up in regard to European capital companies, particularly in the terms of the rules of origin and the association with national companies. Nevertheless, the official said that the EC welcomes the NAFTA and underlined that this organization will have to adjust itself to the rules and policies of GATT to be an open market. Prat Coll recognized that during the commission's work meetings, the Mexican officials were able to clear up all questions when they presented detailed explanations of this trade agreement.

Foreign Secretariat Says Alvarez Trial 'Illegal'

PA0212024692 Mexico City NOTIMEX in Spanish 0121 GMT 2 Dec 92

[Text] Mexico City, 1 Dec (NOTIMEX)—The Mexican Foreign Secretariat reported that on 1 December the government asserted the U.S. trial against Mexican Humberto Alvarez Machain is illegal because it violates international law. The Foreign Secretariat noted the trial, which is being held in Los Angeles, California, "is unacceptable" because Alvarez Machain was kidnapped in Mexican territory and illegally taken to the United States.

It reaffirmed Mexico rejected the legal process and demanded the return of the Mexican physician, who is charged with participating in the kidnap and murder of Enrique Camarena Zalazar, a U.S. DEA agent, in the western city of Guadalajara in 1985. The foreign office reported that on 27 November it sent another diplomatic note to the U.S. secretary of state reaffirming the Mexican Government's position and insisting that Alvarez Machain be returned to Mexico.

The trial of Alvarez Marchain should be held in accordance with Mexican laws as the "only acceptable solution to this distressing incident in the bilateral relations between the United States and Mexico," the Foreign Secretariat added.

It added that the Los Angeles court knows the pronouncements of the Ibero-American summit, the Inter-American Legal Committee, and the UN General Assembly in regard to kidnappings and countries applying their laws outside their territory.

The trial against Alvarez Machain and Ruben Zuno Arce—the latter is also implicated in the Camarena case—started with the selection of the 12 members of the jury on 30 November. This is the third trial in U.S. courtrooms related to the Camarena case. Sources connected to DEA said the prosecution will present approximately 70 witnesses in court during the four to six weeks of the trial.

El Salvador

FMLN Demobilizes Fourth Contingent

PA0212043392 San Salvador Canal Doce Television 0300 GMT 2 Dec 92

[Text] The fourth contingent of former Farabundo Marti National Liberation Front [FMLN] fighters was demobilized as scheduled on 1 December at several concentration points across the country. Throughout the day the FMLN demobilized 3,843 fighters, which is the fourth 20 percent. Weapons destruction will probably begin on 2 December in response to the government's attitude. Orderly ceremonies were held at 15 designated concentration sites before the UN Observers for El Salvador [Onusal]. The untimely announcement made by the Armed Forces General Command triggered certain delays in the process. Nevertheless, the majority of the fourth contingent, which represents one fifth of the total 9,000 men, demobilized today.

[Begin unidentified FMLN commander recording] There have been some actions, although not totally positive, but we wish to give a national and international demonstration of our will for peace. We have therefore decided to carry out this demobilization. [end recording]

North of San Salvador in (Ahuacayo), where the largest number of rebels were demobilized, 48 men returned to civilian life. According to the last rescheduling of the peace agreement implementation process, the FMLN was to present a final inventory of its weapons and begin destroying them as of 1 December. The rebel front, however, conditioned that phase to certification by the United Nations of having received a satisfactory administrative plan from President Alberto Cristiani for the purging of the Army high command.

[Begin FMLN commander recording] Just like the demobilization process, the weapons are conditioned to the commitments the government and the Armed Forces make that are aimed at fulfilling the peace agreements. [end recording]

In the meantime, the former fighters are waiting for the government to keep its promises to guarantee the legal transfer of land to the current occupants of the former conflict areas.

[Begin unidentified FMLN fighter recording] We are waiting for President Cristiani to comply with the agreements. As we are now demobilized, we want to work the land and raise our children. We demand that President Cristiani comply, especially regarding the land problem. [end recording]

The next and final demobilization phase is supposed to take place on 15 December, but that will depend on whatever may arise along the way. Some rebels about to be demobilized believe there is plenty of ground to cover on the issue of government compliance.

Commentary Hails UN Refusal To Postpone Army Purge

PA0112003592 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 30 Nov 92

[Station commentary]

[Text] The UN secretary general's refusal once again to postpone the purge of the Armed Forces' officers makes it even more obvious that the positions held by the officers are nationally and internationally isolated. The immediate implementation of the recommendations made by the commission that evaluated the need to purge the Armed Forces is, in fact, a sign of the times for El Salvador. For the first time in history the Armed Forces will be subjected to society's civil and democratic decisions.

Nevertheless, the changes do not end there. The deadline for the dissolution of the National Investigation Directorate is 30 November, as agreed upon with the Farabundo Marti National Liberation Front [FMLN]. The deadline has been repeatedly demanded by the United Nations. So far, neither the government nor Armed Forces have disclosed any information regarding the files they used to conduct espionage and political and military warfare against the opposition and general public.

The government has also pledged to dissolve the Atlacatl Battalion on 8 December, an event which will further prove to the nation that the most reactionary and aberrant militarism will be left behind in Salvadoran history.

The FMLN must also destroy its weapons, which is a pledge aimed at restoring confidence and reconciliation among the various sectors in the country. However, peace is not only the destruction of rifles while the mouthpieces (boquillas) remain inside the headquarters. It is essential to truly apply all the agreements that constitute a national and institutional reform that will abolish antidemocracy which coexisted with counterinsurgency. It is necessary to overcome impunity and governmental impositions and to stop denying broad sectors of our society the benefits and wealth the country produces.

The final stage of the agreements and their successful completion is the starting point in 1994 that will allow the Salvadoran people to democratically and honestly elect a new government that will represent the different interests which make up the nation.

Nicaragua

National Assembly Rejects Supreme Court Ruling

PA0112133592 Managua LA PRENSA in Spanish 28 Nov 92 p 1

[Communique issued by National Assembly in Managua on 27 November]

[Text] The president of the National Assembly, as its legal representative, hereby states to the public:

At 1500 on 26 November I was notified of the Supreme Court of Justice [CSJ] resolution regarding the amparo filed by the representatives of Sergio Ramirez and Gustavo Tablada, and which declares null and void all that was carried out after 2 September 1992.

The Political Constitution does not grant the CSJ jurisdiction or competence in matters concerning the internal organization of the Legislative Branch, for which said resolution clearly oversteps the authority of the CSJ.

Faithful to the promise I made, on taking office, to abide by the Political Constitution, which states in Article 129: "The Legislative, Executive, Judicial, and Electoral Branches are independent of each other..." and in Article 130: "No post shall grant whoever occupies it greater authority than that defined by the Constitution and the law." The resolution in question can be considered to be the opinion of seven of the nine magistrates, as Santiago Rivas Haslam and Adrian Valdivia Rodriguez ruled that the amparo should be dismissed.

It should be pointed out that five of the seven magistrates who voted in favor of the recourse were appointed to the CSJ during the previous Sandinist administration.

The National Assembly shall continue to work in the same way it has done since 2 September.
[Issued] Managua, 27 November 1992

UNO Parties Fail To Attend Economic Council Talks

PA2911184892 Managua BARRICADA in Spanish 27 Nov 92 p 1,20

[Article by Emilio Zambrana]

[Text] The political parties that comprise the National Opposition Union [UNO] did not attend the 26 November meeting called by the government to analyze Nicaragua's outlook for 1993. Only the Nicaraguan Socialist Party [PSN], the Party for Central American Integration [PIAC], and Conservative National Action [ANC] met with the economic cabinet for several hours at the Presidency of the Republic.

On 26 November, 11 of the 14 UNO parties flatly rejected the invitation issued by the government's economic cabinet The cabinet has met with various economic, political, social, and religious groups in the country in an effort to seek a consensus for the sake of achieving Nicaragua's economic stability.

The group of UNO parties that did not attend the meeting with the government joined the Permanent Workers' Congress [CPT], which also did not agree to the dialogue.

Both UNO and the CPT claim they did not heed the government summons because they believe the Executive Branch lacks the "political will" to start a dialogue with the parties that made the president's election possible and with other groups.

The government has met only with the Higher Council of Private Enterprise, National Union of Farmers and Cattlemen, Sandinist National Liberation Front, National Workers' Front, Agricultural and Livestock Producers Union of Nicaragua, and the Catholic Church.

"It is deplorable that other UNO parties have not participated in the meeting," stated Dr. Gustavo Tablada, leader of the "center group." Tablada said political parties have to assume their responsibility to overcome the political and economic crisis by participating in a dialogue rather than by evading it. The country's problems are everyone's business. Political parties should participate in a dialogue and try to meet society's just demands.

Referring to the 26 November meeting with the government, Tablada said the economic cabinet reviewed the 1993 economic plan and the need to give priority to needy groups.

The meeting between the government economic cabinet and the parties was attended by Gustavo Tablada, Alejandro Perez Arevalo, Andres Robles, and Frank Duarte of the PSN, PIAC, and ANC, respectively.

The absence of Ivan Salvador Madriz, a member of the "center group" who has assumed a rebel attitude and stated his displeasure with the group in recent weeks, was noted.

Argentina

Russians Seek New Trade Partners, Technology

PY0112204092 Buenos Aires PAGINA/12 in Spanish 22 Nov 92 pp 4,5

[Article by "A.R.B.": "Muscovites in Buenos Aires"—names of Russian Embassy officials as published]

[Text] The Russian Embassy has launched an offensive to attract Argentine trade partners and further exchanges in areas as varied as oil prospecting and exploitation, computer science, agribusiness, deep-sea fishing, the perfume industry, and the manufacture of gym equipment. Members of the former Soviet Union foreign service have also been seeking training opportunities for young executives with a view to adapting them to the free market requirements and to retrain scientists and researchers, who have thus far been heavily involved in the aerospace program and in the materiel industry, for jobs in the private sector. For the time being, the Russians have concluded various firm agreements with the oil company Bridas, the steel mill Siderca, and the software company Intersoft, and negotiations are under way with Bunge & Born through the Argentine Foreign Ministry. In a very matter-of-fact way, Igor Prokop'yev, the Russian minister counselor in Argentina, told CASH [PAGINA 12 Economic Supplement] that "we do not want anything for nothing. We only wish to further relations with Argentina based on the principle of mutual advantage or interest."

According to Prokop'yev, who is the second highest official at the Russian Embassy, the Russian Government is interested in the development of the food processing and preservation industry. He said: "There are large harvests in Russia, but little is stored; much is wasted." One of the obsessions of Secretary Yuriy Gorlach is the country and its administration. He noted that "in our country land was owned collectively, it belonged to the State for 70 years. Now we want to become acquainted with the ways of farming it, learn about laws governing the ownership of land, and how farming activities are organized and channeled here." To this end the Russian Embassy has established "contacts" with the Argentine Rural Society and is currently making the necessary arrangements for representatives of Russian agro-industrial outfits, collective farms, and companies to visit Argentina.

These concerns are consistent with those expressed by Russian Deputy Foreign Minister Georgiy Mamedov during his recent visit to the country. Mamedov had urged the international community, included Argentina, to join forces so that Russia may have a smooth economic and political transition, given the fact that any imbalance or jolt in Moscow might in turn affect the international political life.

Prokop'yev explained that the Russians are interested in Argentina due to its crop rotation system and because it had to go through a period of galloping hyperinflation similar to the one confronting Russia now. Russia may emulate Argentina's experience at coming up against the steady decline in the purchasing power of the peso, and apply it to the ruble.

From the Argentine standpoint, farming in Russian fields would be most interesting considering the possibility of exporting from the CIS (Commonwealth of Independent States) to Argentine traditional markets in Europe and the Far East.

With regard to farm mechanization, Gorlach underscored the fact that Russia's farm production is currently quite important and "we have machinery and tractors, which could very well be manufactured here using our technology." Similarly, the Argentine-Russian Management Council "is trying to adapt some typically Argentine farming techniques to the needs of the Russian steppe. This is promoting trade terms; we need only find the areas of greatest interest for both countries," he added.

During the many years that Russia was part of the Soviet Union, the former helped build the only military machinery capable of standing up to the United States. The Russian Government is also concerned about retrofitting the warfare industry into dual-purpose industries. The thinking is to retrain scientists and manual workers involved in those projects so that they may engage in civilian activities. Gorlach mentioned that "we must take advantage of that great asset of research institutes to solve such problems as transport and electricity. Moreover, there are any number of technical innovations that were developed at those institutes and that must be put into practice."

Russian diplomats are also taking steps to have young Russian businessmen acquire experience either in Argentina or in other Latin American countries having the same market problems, and which are equally committed to having the best possible rules to promote a market economy.

Should negotiations between the Russian Embassy and the Argentine Foreign Ministry be successful, Russian yuppies [preceding word in English] could come here for training courses. According to Prokop'yev, the aim is to seek the concerted effort of training centers in Buenos Aires and Cordoba, and the companies which are trying to gain a foothold in the huge Russian market of 300 million consumers. Meanwhile, four-fold negotiations are under way among the Russian Embassy, the Argentine Foreign Ministry, business schools [preceding two words in English], and companies, including some banks and companies such as Intersoft and the Funcer Foundation from Cordoba. Prokop'yev stated that "this is a long term investment."

Gorlach added that "the push-start is the most difficult thing. The bilateral cooperation formulas we have applied for so many years have not been very effective. Therefore we must find new modern ones, such as science, technology, computer science, and the whole

spectrum of business undertakings." Something has already been achieved, for instance, the successful negotiations with Bridas for oil drilling ventures in Turkmenistan. According to Prokop'yev, Russia welcomes Argentine capital investments in the oil business at three different levels: "short-term investments, one or two years, for tapping closed oil wells [pozos sellados]; medium-term investments, for a period of three to five years, for oil drilling in fields that have already been prospected; and long-term investments, for five or 10 years, for oil prospecting and drilling."

Brazil

Group to Urge U.S. Signing of Biodiversity Treaty

PY2511125592 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 25 Nov 92

[Text] Senator Ruy Bacelar has reported that Brazil will suggest at the plenum of the Inter-Parliamentary Conference on Environment and Development that a message be sent to U.S. President-elect Bill Clinton requesting that he sign the Biodiversity Treaty.

[Begin Bacelar recording] The Biodiversity Treaty was signed by more than 100 chiefs of state. It will remain open for some time, awaiting the signatures of more presidents. [end recording]

Senator Bacelar added that the important economic power of the United States cannot be disregarded in seeking solutions to environmental problems. This is why the conference will attempt to have the new U.S. president sign the treaty.

The subjects discussed at the Inter-Parliamentary Conference on Environment and Development concentrated to a degree on demanding compliance with the resolutions of the Earth Summit [UN Conference on Environment and Development].

Most of the speeches made during the conference stressed the need to pass on from a stage of speechmaking to a stage of concrete action with regard to sustainable development.

Three representatives spoke on this subject during the 24 November session.

Costa Rican Deputy Bolanos asked of his colleagues from 50 countries, who are meeting in the Ulysses Guimaraes Convention Center in Brasilia, that all their parliaments rapidly issue laws to complement the international conventions agreed upon at the Earth Summit.

Italian Deputy Testa said his country favors creating a tax on energy, which should be paid by wealthy countries to help developing countries preserve the environment.

Chilean Deputy Diaz Sanchez suggested holding an international conference to reach an agreement establishing a route for the transportation of radioactive products. He mentioned the recent case of a plutonium shipment sent from France to Japan, in which the route, the weight, and the degree of risk from the product were not revealed.

Franco Reiterates Criticisms Toward Editorials

PY2711233392 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Nov 92 p 4

[Text] Brasilia—Interim President Itamar Franco yesterday reiterated his criticism of the comments that his government is paralyzed, and expressed displeasure with the editorials written in this regard. He said: "Those who write the editorials are hiding behind their writings." He added: "I will not answer the editorials." On 22 November in Dakar, Senegal, Franco, who was irritated at journalists over an editorial published by O ESTADO DE SAO PAULO, got this issue off his chest with the comments he made.

In an interview upon arriving at Planalto Palace, he again rejected the accusations of populism. He said: "My government is not for the powerful but for social action." He believes the modernization demanded by some people is "only economic." He again resorted to a comparison with U.S. President-elect Bill Clinton. He said: "If you look at Clinton's campaign promises such as the struggle against poverty and recession, you will realize that his promises are not different from the promises made in Brazil."

Franco also took an opportunity to criticize the position of suspended President Fernando Collor, who always expressed his desire to put Brazil in the First World. He said: "What first world is this when our ships are confiscated and we have not paid our share to the Pan-American Health Organization? He added: What first world is this when it was discovered that our country has a debt to the United Nations?" According to Franco, the government was paralyzed. "It only created a marketing image."

Franco's irritation lead Jose Sarney, former president and current senator, (PMDB-AP) [Brazilian Democratic Movement Party- Amapa], to contact Franco to advise him to be calm. Sarney said he told Franco he has to coexist with pressure.

Franco Awaits Senate's Decision, Views Next Moves

PY2811003792 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 27 Nov 92

[Text] President Itamar Franco will wait for the Senate's decision on removed President Fernando Collor, but he already has an opinion on what he wants to do if he is definitively installed as president. Here is Alexandre Garcia's commentary:

[Begin recording] In an informal talk with journalists, President Itamar Franco said that, depending on the Senate's decision on removed President Fernando Collor, he wants to adopt strong measures next year to fight

the recession. Among them, he mentioned reduced interest rates. He said these measures will not consist of economic packages or price freezes and that they will be open and clear measures. He admitted that he is against government intervention in the economy, except with regard to groups that refuse to cooperate.

Regarding state-owned companies, he said he wants to closely control their costs because they must be productive instead of a burden to the country. He added that he will privatize any state-owned company that proves necessary, but explained that a larger portion of the company's price must be paid in cash instead of rotten currency [moedas podres].

Franco also wants to finish the Angra-2 nuclear plant and cancel the Angra-3 one. He believes the price of the Xingo hydroelectric plant, located on the Alagoas-Bahia state border, has been inflated.

Regarding modernization, he agrees with the Collor administration's modernization program that calls for a larger national and a smaller governmental apparatus. He will continue exerting pressure on the public administration and calling for the establishment of priorities.

President Franco said he is not a nationalist xenophobe. He is a patriot in keeping with the concepts of First World modernity. He added that it is very flattering for him to be called a populist because he is a defender of the people's economy.

Commenting on his cabinet, the most praised minister was Social Security Minister Antonio Britto. As to the economic area ministers, he said that ministers have to draft plans for the president to approve. If the minister wants one thing and the president another, the minister leaves the position because the president cannot.

Regarding destabilization, President Franco said he needs Congress' help and that he believes some groups, including some members of the media, want to destabilize his administration.

President Itamar Franco made a point of insisting that he will not report on any long-term measure before the situation of removed President Fernando Collor is defined. Jokingly, he admitted that he cannot feel at ease with the official photograph of the removed president hanging behind his chair.

Franco Leaves for Rio Group Meeting in Buenos Aires

PY3011174792 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 30 Nov 92

[Text] President Itamar Franco today traveled to Argentina to attend the Rio Group Meeting. This is his second trip abroad since being installed after President Fernando Collor's removal.

President Franco spent this morning at home preparing for the trip to Argentina where he will attend the Sixth Rio Group Presidential Summit. For three days, the presidents of 11 countries will discuss in Buenos Aires economic integration and the defense of democracy in South America.

Before leaving the Brasilia Air Base, President Franco handed the presidency to Chamber of Deputies Chairman Ibsen Pinheiro. For the second time, Pinheiro is the Brazilian acting president. President Franco will return at 2000 on 2 December.

Chamber of Deputies President Interviewed

PY2511174392 Sao Paulo FOLHA DE SAO PAULO in Portuguese 21 Nov 92 Section 1 p 5

[Interview with Chamber of Deputies President Ibsen Pinheiro (Brazilian Democratic Mobilization Party-Rio Grande do Sul State) by Wilson Silveira in Brasilia—date not given]

[Text] [Silveira] Do you have any commitments at Planalto Palace today?

[Pinheiro] A person from the Sao Borja bridge construction committee asked me for an audience, as did some deputies.

[Silveira] Do you have any commitments early tomorrow morning?

[Pinheiro] Not early. First, I must take a ride on a jet-ski [preceding word in English], take off my T-shirt....(laughs).

[Silveira] Do you intend to handle any claims?

[Pinheiro] An acting president must be aware of the fact that moderation and discretion must be his main characteristics.

[Silveira] What do you think of President Itamar Franco's public reprimands to his ministers?

[Pinheiro] This type of episode is commonplace in any work environment. Its dissemination by the press is rather uncommon. It's a matter of temperament, nothing else.

[Silveira] Would you behave the same way President Itamar does?

[Pinheiro] It is very difficult to make this type of assessment.

[Silveira] Do you agree with the assessment that Itamar has taken populist measures?

[Pinheiro] I believe this expression is out of proportion. I believe President Itamar wants to have a cost estimate before deciding (on increasing public rates). This is normal.

[Silveira] How do you assess the Itamar government?

[Pinheiro] The federal government is complying with its main task: To preside over this extremely delicate moment. For this reason, the federal government has a broad base. At the same time, it faces limitations. For this reason, I believe we must be very understanding toward the typical difficulties arising from this circumstance.

[Silveira] Do you believe the possible deterioration of the Itamar Franco government may influence the Federal Senate's decision on Fernando Collor's impeachment?

[Pinheiro] I believe the Senate's vote is so close that the government's performance will have no influence, favorable or unfavorable. President Fernando Collor de Mello will be judged under the same conditions that prevailed when he was suspended. If the Senate's vote were not that close, it would indeed have an influence.

[Silveira] Some attorneys at law say that the change of Chamber of Deputies regulations, approving an open vote system for the request to authorize the prosecution of Fernando Collor, is illegal because its retroactive status was unfavorable. Do you agree with this position?

[Pinheiro] No. This principle of precedence does not apply to procedure laws. This only applies to criminal, substantive laws.

[Silveira] Will the vote remain secret in the Chamber of Deputies judgment?

[Pinheiro] The secret vote system for the deputies is constitutional. It is the most appropriate system because an open vote system could be contaminated by false sentiment of cronyism or collectivism. A secret vote system is worse for federal deputies and better for the institution.

[Silveira] The suspended president's attorneys said they hoped for more understanding from the Chamber of Deputies because the deadlines for the impeachment and common-crime actions overlap. How do you assess this situation?

[Pinheiro] We will do what is normal. The Federal Supreme Court (STF) has asked for authorization (to process Collor). We must submit the petition.

Foreign Minister Visits Brussels, Notes Trade War

PY2711232492 Rio de Janeiro O GLOBO in Portuguese 25 Nov 92 p 3

[Article by Monica Yanakiew]

[Excerpts] Brussels—Brazilian Foreign Minister Fernando Henrique Cardoso does not have any doubt that by April 1993 Brazil will be changing its system of government from a presidential system to a parliamentary system. Cardoso believes that "the main leaders advocating the presidential system are becoming increasingly isolated."

During a quick trip through Brussels, Cardoso said: Orestes Quercia [Brazilian Democratic Movement Party, PMDB, president] advocates the presidential system, but he does not have the PMDB's support. [Bahia Governor] Antonio Carlos Magalhaes used to be a presidentialist, but now he is changing his position. Only [Rio de Janeiro Governor Leonel] Brizola still defends the presidential system, but half his party—the Democratic Labor Party—is against it. Although half the PT [Workers Party] is presidentialist, PT leader Lula advocates the parliamentary system.

Cardoso arrived in EC headquarters at a time when the 12 EC member countries are seeking to reach an agreement with the United States on ways to resolve the deadlock affecting the GATT Uruguay Round. [passage omitted]

The Brazilian Government believes, however, that it would be better to conclude at least a bad agreement than no agreement at all. If by 5 December the Americans deliver on their threats and start a trade war, all developed countries will begin to establish trade barriers.

Cardoso said: A trade war would have fatal consequences for us. The EC is Brazil's main trade partner today. However, judging from the talks I held here in Brussels with EC representatives, I believe that despite the adverse pressures exerted by the French, the Europeans and Americans will reach an agreement.

Minister Admits Difficulties in Debt Renegotiation

PY2811173492 Rio de Janeiro O GLOBO in Portuguese 25 Nov 92 p 22

[Text] Planning Minister Paulo Haddad yesterday admitted that the government may find difficulties in renegotiating the economic goals of the debt agreement with the IMF. According to Haddad, out of the six goals agreed upon, the government will have certain difficulty in complying with the internal surplus goal as a consequence of fiscal problems such as the drop in tax collection.

Haddad reported that a team of five experts is working with the IMF in Washington to prepare the visit of a Brazilian delegation headed by Finance Minister Gustavo Krause scheduled for the first week of December. Haddad said the delegation's visit to Washington should have already taken place.

"We are behind schedule. In July, former economy minister Marcilio Marques Moreira was already aware that the goals agreed upon with the IMF will not be achieved, mainly those regarding fiscal issues," he said.

According to the minister, tax collection dropped during the second half of the year as a consequence of the recession, while other measures to reduce expenditures adopted during the first half of the year had to be slackened during the second half of the year, as in the case of construction work payment. Although he recognized the difficulties in renegotiating the goals with the IMF, Haddad said that the external front is organized, given that the negotiation lines of the former administration have been maintained.

The debt renegotiation agreement with the banks must be approved by the Senate without any difficulties. According to Haddad, the senators closely followed the whole negotiation process with the private creditors and therefore they do not have doubts regarding the agreement.

"I did not hear any discrepancy among the senators in regard to approving the agreement," Haddad said.

Navy Wants Nuclear Plants For Energy Requirements

PY0112160092 Sao Paulo FOLHA DE SAO PAULO in Portuguese 26 Nov 92 p 10

[Text] The Navy Copesp (Special Projects Coordinating Board) wants to build small nuclear power plants to meet the growing demand for electrical energy. Briefing the Environmental Protection Committee of the Sao Paulo Legislative Assembly, Professor Sergio Bajay of Campinas State University yesterday stated that the Copesp will try "to sell the idea" to the Brazilian electrical sector.

The Copesp is currently working on an uranium enrichment project for a nuclear powered submarine. It commissioned Professor Bajay's team to study the country's electrical sector. Bajay's report includes sites for building small nuclear power plants, namely in Greater Sao Paulo, Campinas, and Ribeirao Preto (Sao Paulo State); Rio, Belo Horizonte, Salvador, Recife, Vitoria, Fortaleza, and Manaus.

Cesp (Sao Paulo Electric Power Plants, Inc.) Chairman Antonio Carlos Bonini de Paiva stated during the briefing that his company, which signed a technological agreement with Copesp in August, is not planning to build nuclear plants within the next 15 years.

Bajay explained that PCN (small nuclear plant) technology is currently being developed abroad. He added that "as the installed capacity of these nuclear plants is between 500 and 600 megawatts, it would be more appropriate to call them medium-sized plants."

Chile

Confidence Voiced in Ties With U.S. Under Clinton

PY2711141292 Santiago EL MERCURIO in Spanish 11 Nov 92 p A3

[Editorial: "Relations With the United States"]

[Text] The election of the new U.S. President has given rise to speculation about the future of the free trade treaty and other Inter-American projects launched by the Bush Administration. Those projects were the first steps in a new stage in the U.S. relations with Latin America. A tremendous boost has been given to regional cooperation since the inauguration of the Bush Administration. The Americas Initiative, which includes other agreements, stemmed from a joint effort undertaken in this field.

The economic freedom and democratic rule existing in our country has placed us in a good position to take advantage of the U.S. Government's proposals. First, the reestablishment of the General Preference System (SGP) and the lifting of the embargo on the purchase of military equipment were decisive in normalizing relations between the two countries. Treaties were then signed to promote trade, investment, and technological development, followed by the reestablishment of the insurance for foreign investments (OPIC) [acronym as published]. Additionally, a solution was found to the controversy over compensation for the Leteliers and the Moffits, and over compensation stemming from the intellectual property of pharmaceutical products. Notwithstanding this, relations between the two countries have not yet been fully normalized in view of the U.S. refusal to award damages to Chile over the fruit embargo of 1989. Likewise, U.S.-Chilean military ties are somehow estranged due to differences in the organization and chain of command of the two Armed Forces. The Chilean military frown on attempts to copy the American military structure, which they say, does not suit the character of Chile. The aftershocks of the arms embargo, which was enforced at a time when Chilean security was threatened by conflicts in neighboring countries, has not been totally overcome either.

This atmosphere of progress, differences, and pending subjects has been the backdrop for the spawning of close ties of friendship between the United States and Chile after the official visits of Presidents Bush and Aylwin.

The election of Bill Clinton has introduced an element of uncertainty in the future of these relations. It is public knowledge that domestic items are uppermost in the mind of the new U.S. President and that he lacks the expertise in the international arena that his predecessor had. There is also some doubt about his commitment to free trade, which is one of the basic principles of our diplomacy. In short, until the names of Clinton's aides are known, there is concern that he may appoint some

who served under the administration of former Democratic President Carter. Another source of concern is whether the new authorities are interested in furthering hemispheric integration through common actions. It may very well be that U.S. relations with the region may suffer a relapse into their traditional second place, including the signing of a free trade treaty.

At this time it is quite difficult to predict President-elect Clinton's foreign policy. It is nonetheless unthinkable that he will not take advantage of the achievements made by the Republicans or of the mutual benefits of free trade.

We should be confident in our relations with the United States. The values we share with it, namely political and economic freedom, are promising. They will enable us to further advance in the projects we already have agreed upon and tackle the current disagreements between us. The change of guard in the U.S. Administration should neither change our interests nor those of the United States. We must, however, reactivate our diplomatic efforts and widen our contacts with the new authorities. To this end, we must develop a specific strategy, which should include the useful ongoing contacts nongovernmental agencies, businessmen, professors, experts and workers have in the United States.

Army Communications Chief Resigns, Communique Issued

PY2611014392 Santiago Television Nacional de Chile Imagen Internacional in Spanish 2330 GMT 25 Nov 92

[Excerpts] Today the telephone tapping scandal provoked the retirement of Telecommunications Commander General Ricardo Contreras, head of one of the most sensitive Army departments. An Army official communique announced that the institution will sanction all those involved in the case. [passage omitted]

The Army issued a communique confirming that Army telecommunications regulations were violated and that instructions were given to control its strictest application. The document also says that the head of the Army Telecommunications Command, Brigadier Gen. Ricardo Contreras, requested his retirement, which was accepted by the commander in chief. [passage omitted]

The Army said it has decided to sanction all Army personnel involved in the case.

This point made the government very happy because it expresses the Army's willingness to investigate to the very end, and a full investigation probably will involve more people. The document also reiterates that the Army will cooperate fully in the trials dealing with the case in civilian courts.

Aylwin Backs Pinochet's Actions

PY2611121692 Santiago Radio Cooperativa Network in Spanish 2200 GMT 25 Nov 92

[Text] President Patricio Aylwin this afternoon gave a news conference to comment on various topics of national interest.

Aylwin expressed satisfaction over the Army's response to the case of espionage against Senator Sebastian Pinera; that is, the removal of Brigadier General Ricardo Contreras, head of the Army Telecommunications Command. He said this action will be instrumental in restoring civilian confidence in the Army's role in this affair.

In addition to attaching significance to the case, which indicates that there is a certain degree of Machiavellism in the political arena, Aylwin stated that General Augusto Pinochet, Army commander in chief, endorsed his opinion that espionage is a serious matter.

[Begin Aylwin recording] He endorsed my opinion that this is a serious matter. He believes this is not a widespread practice, but rather an isolated case. Yet, he admits that this action entails a serious violation of Army internal regulations; that in accordance with military discipline, not only the perpetrator but also his respective commander must be held accountable for such action. Thus, he adopted the measures announced today in an Army communique. I personally believe that these measures are the ones I expected him to take in this case. [end recording]

Aylwin added that the respective commanding officers will be held accountable for the actions of their subordinates, that a full investigation will be conducted to punish all those responsible, and that internal regulations will be revised to make it more effective in this area, so that all Chileans may rest assured that intelligence or telecommunications organizations of the Armed Forces will limit their actions to their specific goals.

Aylwin gave the news conference at La Moneda Palace to emphasize the achievements of his Asian tour, as well as the prospects opened for the country's future. Before answering questions on the telephone espionage case, Aylwin said that this case will have a similar fate to that of the Honecker case, which no one will remember 20 years from now. He noted that he was not criticizing anyone, but that he was just pointing out a certain distortion that draws public interest to flashy but short-lived events. He stated that less flashy but far-reaching events are more likely to go down in history.

Aylwin also answered a question on a report issued in Geneva by an international commission of jurists who contend that the Chilean Government has not been strong enough to press charges and to punish military or security personnel involved in human rights violations during the previous government.

Aylwin said these contentions appear to be at least hasty and reveal a complete lack of knowledge about the democratic transition process in Chile. He said: I have always promised to impart justice to the extent possible, and this is what we are doing.

Minister Hails Aylwin Government's Socialist Role

PY2611202292 Santiago LA TERCERA DE LA HORA in Spanish 15 Nov 92 pp 12, 13

[Interview with Enrique Correa, secretary general of government and a candidate for the Chilean Socialist Party, PS, Central Committee by Maria Eugenia Oyarzun at his Santiago office; no date given]

[Excerpts] [Passage omitted] [Oyarzun] How can extreme poverty be overcome, through a social market economy or through a planned economy, which the PS advocated in the past?

[Correa] Planned economies have failed; the market economy is a reality, not a theory. Now, it is either naive or a misconception to believe that the market alone can resolve social problems. We need a market economy in which the private sector can play a leading, central role in promoting growth in coordination with state efforts to ensure social, regional, and ecological balance.

[Oyarzun] What differences can you draw between socialism under the Popular Unity [the leftist coalition that took Salvador Allende to power in 1970] and socialism under the Coalition of Parties for Democracy [CPPD]?

[Correa] I believe that we socialists are not the only ones to have learned something from the ordeal we had to experience in the 1970's and during the years of the subsequent military regime. From that standpoint, each political group has undergone profound changes. The PS has contributed to bringing about these changes by endorsing a number of alliances that ultimately were translated into the CPPD, which united all Chilean democratic, progressive forces. Thus, the PS discontinued its policy of alignment with the left. Secondly, along with the Christian Democratic Party [PDC], the Radical Party, the Party For Democracy, and other CPPD member parties, the PS has become a major player in building a broad-based democracy in the country and a factor in decisively dispelling an atmosphere of confrontation that had brought the country to the brink of destruction. Thirdly, the PS must reconcile its dreams, its utopian ideas, and its major objectives with political reality.

[Oyarzun] You said that the first chapter of modernization should be a market economy. What are the other chapters?

[Correa] In the next stage the PS must fully support the modernization of the state. We do not need a state owner, but a modern state that will be strong enough and capable of issuing regulations and rules needed to adequately play its role of reconciling growth and economic life, especially concerning social, ecological, and regional balance.

[Oyarzun] Whom should we believe, the [Socialist presidential hopeful] Ricardo Lagos team, which advocates a market economy, or Deputy Camilo Escalona, who contends that the socialist bases are "in no way" with the market economy?

[Correa] The market economy is not a theory, but a reality that has been accepted even by the Communist Party of China. No serious government in the world is proposing anything but the market economy.

[Oyarzun] [PDC presidential hopeful] Eduardo Frei believes the CPPD will collapse if two presidential candidates emerge from among its member parties. Do you agree with him?

[Correa] I am hoping that the CPPD will not collapse under any circumstance. In any case, because the CPPD government led by President Aylwin is made up of CPPD activists, it will honor its commitment to the voters until the end of its term. [passage omitted]

[Oyarzun] As a socialist, what do you think your main contribution to the Aylwin administration has been?

[Correa] We have demonstrated that we socialists can act responsibly, professionally, and with a sense of statesmanship in public office. From this standpoint, I find it particularly harmful for the PS internal dispute to have focused on criticizing PS members who are serving as trusted senior officials in this government. Allegations that there is "a parallel party" are unwarranted; on the contrary, every PS member should regard the successful role played within this government by senior socialist officials as his own political victory. In supporting some slates, socialist youths described us as "bureaucrats" who had reneged on social changes. Are they trying to tell us that they do not support the government of President Aylwin, that they do not regard this democratic transition as theirs, or that they do not consider it a success for the PS to have participated in such a prestigious political process? Furthermore, it is not true that we socialist ministers have turned our backs on our party. Those who served on the PS executive board in recent years can disprove such an allegation. We had smooth, systematic, well-organized relations both with the PS executive boards led by Jorge Arrate first and then by Ricardo Nunez, as well as with the socialist youth, and with all other CPPD parties and youth groups.

This is the type of approach that should prevail within the PS, instead of engaging in personal attacks or ideological controversies that would be in the best interests of just a few people. I believe the PS has returned to its historical roots under this government because it has revived its democratic qualities and because Eugenio Gonzalez' dream of combining the forces of progress and social justice has become true. Furthermore, after

enduring a severe defeat in the 1970's, the PS has again become a viable political force capable of leading the state and earning respect from every walk of Chilean life. [passage omitted]

[Oyarzun] Do you think the Army has lost face in the eyes of the public in light of the fact that an Army officer appears to be involved in the telephone espionage case that affected Senator Pinera?

[Correa] I believe the Army now must pass a credibility exam in the eyes of the people. I am sure the Army has enough strength, tradition, professionalism, and responsibility to overcome this difficult test. I repeat, however, that the only way to successfully overcome this situation is by upholding the truth; not by concealing it or by curtailing its dissemination, but by promoting it.

Candidate Lagos on Pinochet's Possible Candidacy

PY2511203292 Madrid EFE in Spanish 1522 GMT 25 Nov 92

[Text] Buenos Aires, 25 Nov (EFE)—Ricardo Lagos, presidential candidate for the Chilean Socialist Party, stated on 25 November in Buenos Aires that if General Augusto Pinochet decided to run for president in the next elections "he would be defeated."

In a news conference with foreign correspondents, Lagos said he would be surprised by "a Gen. Pinochet candidacy because it would imply his resignation from the post of Army commander in chief."

"I think the general most probably will try to use all current mechanisms to remain as commander in chief until 1997," Lagos added. He said he would be surprised "if Gen. Pinochet manages to attract a large number of people."

Ricardo Lagos is in Buenos Aires heading a delegation from his party to hold institutional contacts with Argentine Government members and political figures.

On 24 November, he lectured at the Argentine Center for International Relations (CARI) [Centro Argentino para las Relaciones Internacionales], a few weeks after the lecture by Eduardo Frei, another Chilean presidential hopeful for the Christian Democratic Party [PDC].

These two candidates belong to the Coalition of Political Parties that led Christian Democrat Patricio Aylwin to the Chilean presidency in 1990. The PDC elected 39 deputies and 13 senators, while the Socialist Party elected eight deputies and one senator.

Regarding Gen. Pinochet's permanence as the focus of power in Chile, Lagos said that "it is difficult to understand the logic of someone who had been dictator for 17 years and then becomes Army commander in chief."

The attempts to change the mechanism that does not allow President Aylwin to remove Pinochet from his post did not obtain "a majority in Congress, and for this reason there has not been sufficient force to change this mechanism."

Lagos made a long explanation of Chilean internal policy concerning the elections and the existence of a coalition in a presidential system.

"The coalition was first created to say 'no' and then to prepare a four-year government program. Now a long-term program must be prepared."

According to Lagos, the existence of a political coalition in a presidential system "is a challenge to political science, and there are very few examples other than the Colombian."

After saying the existence of a coalition of parties in power is not being questioned, he said the existence of two candidates in the same presidential election will not jeopardize the coalition.

"In runoff elections, the less-popular candidates promise to vote for those who receive the largest number of votes," he said.

He stressed Chile's export efforts and the problem that would arise if a commercial war is waged between the large blocs.

"Chile has made an effort to reach a customs tariff of 11 percent, but a small country of 13 million inhabitants has no voice," Lagos said.

He called for a Latin American response starting with the Rio Group to maintain an active commercial policy.

He stressed the free trade agreements with Mexico and Venezuela, the agreements with Argentina, and the recent trip President Patricio Aylwin made to Japan, and concluded by saying that it is no longer possible to return to closed economies.

The great success of Felipe Gonzalez (government president) of Spain was to overcome the Pyrenees, which for 500 years separated the country from the rest of Europe, and place the country in the very heart of the continent, like it was at the time of Carlos I and Felipe II, Lagos said.

Concerning Cuba, he said: "It is essential for the Latin American governments to make efforts to include flexible elements in the Cuban system. Today, Cuba is behind the times in the international framework."

Cuban Planning Official Addresses ECLA Meeting

PY2611120392 Santiago Radio Cooperativa Network in Spanish 2200 GMT 25 Nov 92

[Text] Enrique Manuel Martinez, vice president of the Cuban Central Planning Board, spoke at a meeting of the Economic Commission for Latin America, ECLA, in Santiago.

Martinez said that the Cuban economy today is facing a number of adverse factors that have affected its development plans. He noted that the Cuban Government provides for the people's basic needs, but made it clear that it is impossible to promote a political opening.

Martinez added that the Cuban crisis stems primarily from the lack of hard currency provoked by the serious effects of the U.S. economic blockade imposed on Cuba since 1962 following the discovery of Soviet missile bases on the island. He said that other more recent setbacks were the collapse and dissolution in Europe of the socialist bloc; the dissolution of the Soviet Union and the CEMA, which resulted in the suspension of the trade terms established with the USSR; and the tightening of the blockade the U.S. Government has maintained on Cuba for more than 30 years through the recent approval of the Torricelli Law. He mentioned these, as well as the lack of foreign financial resources to address these problems, as the direct causes of the current Cuban crisis.

Despite these major difficulties, which have been compounded by the political isolation of President Fidel Castro's communist regime, Martinez stated that one cannot talk about poverty in Cuba.

Martinez attended the third regional conference on poverty in Latin America and the Caribbean held at the ECLA office in Santiago. He said he was moved by what he heard from the other delegates and convinced himself that the Cuban program is on the right track.

Martinez said: We have heard here that 62 percent of the Latin American population live in poverty. In Cuba, no one is left without his daily food ration. The state guarantees every individual a basic food ration with a nutrition content that is much higher than that recommended by ECLA.

Martinez explains that the Cuban socialist state can guarantee a basic food ration for each individual, despite a shortage of many items on the Cuban market, simply because there is a rationing card. The card determines what, how much, and where a Cuban resident can buy. He added: We have a food rationing system based on a supply card that lists the items the people are allowed to buy: The amount of beans, rice, oil, and other food items.

Martinez noted that before the collapse of the socialist bloc, Cuba had a parallel market from where anyone could buy assorted items at higher prices. In the face of the worsening domestic situation, those items were also included in the basic food ration. He said: This is a fair thing to do during the tough times we are enduring; that is, to make a better distribution of food to the people, irrespective of their income. He added that the minimum income in Cuba is enough to cover food supplies.

Martinez said: This is why we say in Cuba that no one goes to bed hungry.

Political Prisoners Released, Depart for Belgium

PY2611001092 Santiago LA TERCERA DE LA HORA in Spanish 17 Nov 92 p 30

[Text] Political prisoners Carlos Garcia Herrera, Carlos Alberto Araneda Miranda, and Jorge Palma Donoso travelled to Belgium on the morning of 16 November. The government commuted their life sentences to exile.

Garcia Herrera and Araneda Miranda had been sentenced for their participation in the attack that occurred on 15 June 1980 that cost the life of Colonel Roger Vergara, chief of Army Intelligence. Palma Donoso is a former MIR [Movement of the Revolutionary Left] leader, and he was sentenced for his participation in the murder of former Santiago Mayor General Carol Urzua on 30 August 1983.

The three men who benefited from the government measure boarded a plane at Arturo Merino Benitez Airport at 1030 for Brussels under the strict vigilance of Investigative Police members.

Initially, the identities of those who were released and the details of their leaving the country were not revealed by the authorities or by human rights groups, which kept these details absolutely secret, mainly in order to safeguard these people and due to the commitment that exists between government authorities and the political prisoners, who must leave the country in exchange for their freedom.

Paraguay

Rodriguez Departs for Rio Group Summit

PY0112012092 Asuncion RPC Television Network in Spanish 2340 GMT 30 Nov 92

[Report by Gustavo Fretes]

[Text] This afternoon President Andres Rodriguez departed for Buenos Aires, where he will participate in the presidential summit of the Rio Group member countries. Various issues, such as future relations with the United States and the EEC as well as the OAS structural reform, among other issues, will be reviewed during this summit.

During a brief ceremony at Silvio Pettirossi Airport, Andres Rodriguez said goodbye to his cabinet members and the military. An outstanding feature was the presence of Congress President Gustavo Diaz de Vivar after various absences from ceremonies in which the chief of state participated.

External Debt Currently Stands at $1.447 Billion

PY0112203692

[Editorial Report] Asuncion HOY in Spanish on 20 November devotes all of page 10 and part of page 11 to report figures on the Paraguayan foreign debt under one

main article and four separate items. The newspaper cites the Finance Ministry as the source for its information.

Under the main headline "Our External Debt is Decreasing," the newspaper carries a 500-word item reporting that the per capita foreign debt of every Paraguayan citizen stands at approximately $351.10. This figure is based on the official data indicating that the country's total external debt amounts to $1,447,800.000. The article reports that the most terrible "jinx" of the treasury is the deficit of state-owned companies, which totals $628.8 million, thus accounting for 43 percent of the total external debt. The deficit of the central government trails behind, with a total of $579.2 million, which amounts to 40 percent of the total external debt.

HOY further reports that Paraguay's external debt has in fact decreased over the last three years, diminishing by 31.3 percent in this period. According to the Central Bank, Paraguay's external debt totaled $2.1 billion at the end of 1989; dropped to $1.725 billion at the end of 1990; and dropped to $1.447 billion by 30 September of this year. During the same period, international reserves grew by 118 percent, rising from $427.9 million to $931.9 million.

HOY adds that Paraguay's top creditors are foreign governments and financial institutions—including the Paris Club—to which it owes $781.6 million, followed by multilateral organizations: the Inter-American Development Bank, the World Bank, the River Plate Basin Development Fund, OPEC—to which the country owes $628.8 million; and commercial and provincial banks, to which $37.4 million are owed.

On page 10, HOY also carries a 250-word item reporting that Paraguay owes $201.3 million in overdue obligations, 60.3 percent of which corresponds to state-owned companies with a total of $121.3 million in overdue financial obligations. The central government comes second on the list of those who have fallen in arrears, with a total of $79 million, which represent 39.2 percent of the total amount of overdue financial obligations, followed by financial institutions, with $1 million.

Flomeres, the State Merchant Fleet, is the leader among state-owned companies in payment arrears, with overdue financial obligations totaling $48.9 million, followed by the National Cement Industry with $44 million, the Public Works and Communications Ministry with $40.7 million, and the Public Health Ministry with $26.58 million.

On page 10, HOY carries another 250-word item pointing out that 83.8 percent of the $201.3 million in overdue financial obligations is owed to the Paris Club. This adds up to $168 million, which represents 50 percent less than what was owed in January of this year, namely between $400 and $500 million. The article underscores the fact that the Paraguayan Government committed itself to normalizing its payment position by the end of the year, and that if it continues with this trend, it will repay its external debt by that date, at least as far as unpaid overdue principal and interest are concerned.

On page 11, HOY also carries a 400-word article on the debt of state-owned companies. The article reports that this debt represents 43.03 percent of Paraguay's total external debt. The National Electric Power Administration ranks first on the list of debtors with a $211 million debt. The National Telecommunications Administration ranks second with a debt of $142 million, followed by the National Cement Industry with a $96 million debt; Flomeres, State Merchant Fleet, with $93 million; and Corposana, Water and Sanitation Corporation, with $71 million.

Benitez, Laino Achieve 66.56% in PLRA Elections

PY2811181092 Asuncion ULTIMA HORA in Spanish 28 Nov 92 p 8

[Summary] The Change for Liberation faction headed by Juan Benitez Florentin and Domingo Laino has won the 8 November internal elections of the Authentic Radical Liberal Party, PLRA. According to the Independent Election Board, out of a total 123,678 votes, the faction headed by Benitez and Laino obtained 66.56 percent of the votes. This means that the Change for Liberation faction will hold 24 out of 45 seats on the PLRA Executive Board.

National Encounter Picks Woman for Vice President

PY2811010792 Asuncion ULTIMA HORA in Spanish 27 Nov 92 p 6

[Excerpt] Maria Victoria Brusquetti, a woman who is well-known for her activities in the area of social promotion, was officially presented this morning as candidate for vice president on the ticket led by Guillermo Caballero Vargas, National Encounter Movement presidential candidate for the 1993 general election. Thus, National Encounter has taken an unprecedented, historic step in the history of Paraguayan political life by nominating a woman for a presidential ticket. [passage omitted]

National Encounter Aligns With APT Faction

PY0112015492 Asuncion NOTICIAS in Spanish 29 Nov 92 p 10

[Text] During a special convention, which involved many hours of debate and disagreements, the National Encounter Movement [EN] yesterday decided to establish an electoral alliance for 1993 with the "Asuncion for All" [APT] independent faction led by current Asuncion Mayor Carlos Filizzola. In this regard, the Central Coordinating Board was authorized to agree upon the power percentage distribution at all levels.

Some departmental delegates strongly opposed the APT joining the EN, but the votes reflected the "social coalition" criterion currently advocated by this political

organization that is sponsoring Guillermo Caballero Vargas for the presidency of the Republic. One delegate said: "EN has a vocation for openness. Therefore, we will receive Filizzola, but he will have to stick up [for the movement] and work. We have struggled to make accomplishments. Therefore, it is unlikely that we will give up space now that the movement has been established in the country."

Caballero Vargas stressed that an APT sector has always wanted to join the EN presidential project. He said: "They must be received so that all Paraguayans will win with their contribution."

Some Fear

EN representatives expressed some fear in merging with the APT. An Alto Parana leader said: "We must be very careful because last time, when we invited them, they prefered to join the PRF [Febrerista Revolutionary Party]."

Union With PRF Confirmed

The special EN convention confirmed the terms of an institutional agreement signed in mid-1992 with the PRF. According to this agreement, the two organizations agree on platform principles and electoral goals.

Colorado Party Factions Fail To Reach Agreement

PY2811135292 Asuncion ABC COLOR in Spanish 28 Nov 92 p 14

[Text] The internal factions of the National Republican Association [Colorado Party] have decided to task the Supreme Court with the solution of the conflict prompted by the badly tailored electoral lists. The different movements yesterday failed to reach an agreement. Thus, the attempt to reach a consensus proposed by Roque Elizardo Bobadilla Cataldi, chairman of the party electoral court, was a total failure.

The quick meeting held at the home of Bobadilla Cataldi only helped the different movements to maintain their respective positions, making it impossible to reach a political agreement without court mediation.

The representative of the Diaz de Vivar movement did not attend the meeting. Present at the meeting were Diogenes Martinez, representative of the Argana movement; Juan Crisostomo Gaona of the Wasmosy-Seifart movement; and Eduardo Mojoli of the Fretes Davalos movement.

Diogenes Martinez said his movement decided to wait for the Supreme Court decision concerning the exclusion or inclusion of approximately 200,000 party members listed without their identification card numbers.

The Wasmosy-Seifart ticket maintained its position that the agreement among the different movements must be based on the fact that the 200,000 members must be given the chance to cast their votes.

Gaona left the meeting a bit annoyed; he even told the press: "The result of the meeting was simple: the Argana movement representative said he would rather wait for the Supreme Court decision, while the Diaz de Vivar representative did not show up."

Bobadilla Cataldi said that the electoral court he is heading will wait for the Supreme Court ruling to set a new date for the elections which were to be held on 15 November but were suspended by decision of Judge Oscar Rodriguez Kennedy. He said that the electoral court is in a position to call for elections on 20 December if the Supreme Court resolves the conflict by next week. He added that it would be impossible to hold the elections on 13 December, a date proposed previously.

For the Diaz de Vivar representative, who was absent yesterday, it would be more appropriate to hold the internal elections in mid-January 1993, because there would be more time to clean up all imperfections in the electoral lists.

Bobadilla Cataldi said that today he will probably meet with the other members of the electoral court to report on the outcome of the consensus attempt and the need to wait for the Supreme Court decision to set the date for the elections.

The failure of yesterday's meeting now forces all groups to focus their attention on the Supreme Court which will have to decide on the inclusion or exclusion of the approximately 200,000 members who were taken out of the Colorado Party electoral lists on orders of the Asuncion electoral court.

The manner in which the electoral list should be finally accepted and the period established for objections and complaints were the main obstacles on which the four Colorado Party movements could not reach an agreement. These opposite positions now force the different groups to wait for the Supreme Court decision, after which the party's electoral court will set a new date for the elections.

Colorado Candidate, Argentine Envoy Deny Aid Charge

PY3011185592 Asuncion RPC Television Network in Spanish 1500 GMT 30 Nov 92

[Excerpts] According to an article published by the Buenos Aires newspaper CLARIN, Colorado presidential hopeful Luis Maria Argana received a large financial contribution from the government of Argentine President Carlos Saul Menem. Argana has categorically denied the report and noted that he did not ask anyone for such contribution. He offered three possible explanations to the CLARIN article, which he described as a counter-propaganda effort against his presidential aspirations.

[Begin recording] [Argana] I want to make it clear that the charge is completely false. Neither Menem nor any

friend of Menem has made any contribution. According to [Radio Nanduti director Humberto] Rubin, the contribution may have been obtained through a business pool led by Jorge Antonio, whom I have supposedly known for 30 years. The truth is that I met Jorge Antonio a year ago, in December last year, in Punta del Este. I believe he is a real nice person, a great gentleman, but he is not a close friend of mine, nor has he made any contribution to our campaign.

[Reporter Gloria Torras] Do you consider this a counter-propaganda move by your opponents in the Colorado Party internal dispute?

[Argana] Well, I have the following theories. First, that this is a disloyal counter-propaganda move, as you just said; second, it could be the result of an internal Argentine problem by those who seek to have Menem lose face; or third, it could be a reaction by circles close to the Argentine president against me because I am energetically and patriotically protesting against the diversion of the Pilcomayo River and I have demanded that the Paraguayan Government take action to have the diversion channel immediately blocked. Thus, because my position is probably out of keeping with the thinking of these people, they consider me their enemy and are thus attacking me. These are my three theories. The fact of the matter is, however, that it is absolutely false that any money has been received from Argentina or from any Argentine citizen. [end recording] [passage omitted]

The Argentine Embassy in Asuncion also issued a communique on the CLARIN article. The communique says:

Regarding an article published by the Argentine newspaper CLARIN on 29 November 1992 under the headline; Menemism Gives Financial Contribution to Stroessner's Candidate in Paraguay, the Argentine Embassy hereby flatly denies the CLARIN allegations about Argentine financial support for one of the Colorado Party candidates seeking nomination for president.

The communique adds that as the CLARIN article states, quoting Argentine Ambassador Ruben Cardozo, the only Argentine interest here is the strengthening of the Paraguayan transition process to democracy. The communique is signed by Ambassador Cardozo.

Workers Party President Becomes Presidential Hopeful

PY2711173592 Asuncion HOY in Spanish 21 Nov 92 p 4

[Text] Eduardo "Coco" Arce, president of the Workers Party (PT), has been nominated presidential hopeful for the 1993 general elections. He has the support of four leftist organizations. His vice presidential candidate will be Arturo Acosta Mena, founder of the Jose Gaspar Rodriguez de Francia Paraguayan Liberation Movement (Mopali).

Arce also has the support of the Popular Democratic Party (PDP) and the Self-Convened Paraguayan Communist Party [Partido Comunista Paraguayo Autoconvocados, PCP-A].

It has also been reported that the Front For a New Paraguay [Frente Paraguay Pyahura (preceding word in Guarani), FPP], a movement made up of several peasant organizations, also support the presidential candidacies. The members of these organizations will not, however, join the list of candidates for positions at the national and departmental levels.

During a news conference yesterday, the first to speak was Hugo Richer of the PDP. He explained the formation of a group called "Unity of the Workers and People."

Richer believes this is a historic event that shows "the political maturity of the Paraguayan leftist sectors and the firm decision to make it into a point of reference and reorganization of individuals who identify themselves with the interests of peasants and the people."

Eduardo Arce then gave the guidelines of his government program. He said "it will be an all out struggle against corruption and the starvation economic policy implemented by the government on orders of the IMF."

He added: "We want the origin of General Andres Rodriguez' immense wealth investigated. We want the assets of corrupt individuals confiscated and used to cover the people's needs."

He promised to use all his energy to deal with the low salary issue. He added: "We will struggle for the implementation of a public works plan (housing, hospitals, and schools), for the confiscation of large tracts of land, and the implementation of a real agrarian reform."

Company Explains Burial of 'Decontaminated' Drums

PY2511134992 Asuncion ABC COLOR in Spanish 25 Nov 92 p 7

[Excerpt] On 24 November Shell Paraguay Limited clarified that the drum debris found in the neighborhood of the city of Limpio belongs to drums buried 5 years ago by contractors who had been authorized to do so by the company.

According to a communique released 24 November by the company, whose general manager is Jan Schaapsmeerders, "the drums were totally emptied, decontaminated, perforated, flattened, and identified before leaving our installation to be buried."

For the sake of public calm in general, the company has explained that the drums contained liquid agricultural components that were imported 10 years ago, in 1982, and were then transferred to smaller and more adequate containers for use by farmers in the cultivation of cotton and soybeans. [passage omitted]

Peru

Fujimori Announces Vehicle Curfew Suspension

PA0212025692 Lima Global de Television Network in Spanish 0115 GMT 2 Dec 92

[Text] Beginning at 0000 [0500 GMT] on 2 December, the curfew on vehicles will be suspended in Lima. President Alberto Fujimori made this announcement, adding that this measure is part of the new government strategy to counter subversion.

The curfew on vehicles was imposed on 10 July of this year, one week after a car bomb destroyed part of the installations of a local television channel.

The restriction on the movement of vehicles resulted in a reduction of nocturnal activities in the capital, and, according to Economy and Finance Minister Carlos Bolona, a 0.5 percent reduction in the GNP. However, this measure did not cause an immediate reduction in the number of terrorist attacks.

One and a half months after this measure went into effect, the rebels again detonated a car bomb on Tarate Road in Miraflores. The restriction on the movement of vehicles forced several drivers to obtain safeconducts to be able to travel at night. Over time these documents were nearly forgotten and the controls were reduced. This became more evident following the arrest of Abimael Guzman.

President Fujimori made the announcement on the suspension of the vehicle movement restriction.

[Begin Fujimori recording] Beginning at 0000 on 2 December, the curfew will be suspended. This decision does not mean we will let our guard down. [end recording]

'Some' Venezuelan Officers To Return to Country

PA0212024092 Lima Global de Television Network in Spanish 0106 GMT 2 Dec 92

[Text] Some of the 93 Venezuelan military officers who did not participate in the 27 November coup attempt will reportedly return to their country within the next few hours, Venezuelan Air Force General Francisco Visconti has revealed. The top military officer stated that the group of officers will return to their country with the Venezuelan pilots who arrived in Iquitos to fly the Hercules plane back to their country.

Rebellion, Murder Charges Filed Against Coupists

PA0112140292 Lima Panamericana Television Network in Spanish 1200 GMT 1 Dec 92

[Text] Criminal charges have been filed against businessman Jorge Victor Polack Merel, son of General Jaime Salinas Sedo who participated in the recent coup attempt against President Alberto Fujimori. Both men are being charged with an alleged attempt to murder President Alberto Fujimori.

In addition, an investigation has begun against eight other persons, including former Senator Maximo San Roman, Mercedes Cabanillas, Alberto Borea Odria, and Alberto Salinas (Isaguirre). It was disclosed these last two persons are being investigated on rebellion charges.

[Begin recording] [Unidentifed court official] On 28 November, the District Attorney's Office has decided to file formal criminal charges against Jaime Salinas Lopez Torres and Jorge Polack Merel accused of rebellion against the state. Considering that no evidence was found implicating citizen Santos Francisco Alvarez Gallardo in these events, this court has decided not to file any criminal charges. The charges have been filed before the Lima Criminal Court, which is also the 29th Criminal Instruction Court. In addition, this office has begun an investigation through the Office of the Attorney General to determine the degree of participation of the following civilians in the before mentioned events: Alberto Boreo Odria, Maximo San Roman, Mercedes Cabanillas, Gonzalo del Solar, Alberto Salinas (Isaguirre), Alfredo Camino, Enrique Rodriguez (Larrain), and Miguel Reboredo. These civilians are being investigated on rebellion charges. Specifically Jaime Salinas Lopez Torres, Jorge Polack Merel, and the other previously mentioned persons are being investigated on attempted homicide charges. [end recording]

Fujimori Urges Change 90 To Work for Nation

PA0212043792 Lima Global de Television Network in Spanish 0100 GMT 1 Dec 92

[Text] President Alberto Fujimori has urged the virtually elected Change 90 [C-90] Constituent Congress members to work for the nation and to avoid committing the same vices of previous legislators.

During a visit to a seminar at the El Pueblo Hotel in Santa Clara, he said he would be ever vigilant of the congressmen's work. The 44 virtually elected C-90 and New Majority Movement Constituent Congress members, who have held meetings at El Pueblo Hotel since 29 November, interrupted their work session with the economy minister because of President Alberto Fujimori's surprise arrival. The president, who met with the government candidates for the first time in public since the election, took the floor, but not necessarily to congratulate them. Instead, he was critical, not only of the former congressmen—including several C-90 lawmakers, whom he said had negotiated with their votes during the last congress using slate voting tactics and political favoritism—but also of certain statements made recently by some of the other candidates.

[Begin Fujimori recording] An idea like that of making the chief of government different from the chief of state, thus making the president a leader with little authority to administer, is unsuitable from all points of view. In Peru,

the president is elected by the people so he might represent, guide, and direct them.

As far as municipal elections are concerned, they will be another chance to make contact with the people so we must present a coherent message. I would also like to stress my request that no representatives of C-90 or New Majority Movement launch their candidacy based on alleged militancy. We will select candidates with national or provincial militancy; the best person for the job, which means the most honest and respected in each electoral district.

Why am I so adamant about constructing true democracy? It is not for democracy itself, as I refuse to beatify a system. We want to build a true democracy that works, because it will be the most effective and quickest way to reach our destiny, which is the well-being of man and society. [end recording]

At the conclusion of the work session, President Fujimori joined assistants for a private luncheon. The alliance leaders Jaime Yoshiyama and Luz Salgado said they did not feel affected by the president's statements. The head of state had indirectly criticized each of them when referring to the trips and to opinions on the elections, respectively.

[Begin recording] [Yoshiyama] The president himself said, during his speech, that, unfortunately, he had a bad experience the last time, and as they say, better safe than sorry.

[Unidentified reporter] Is this not interference on the part of the Executive Branch with this new congress which....?

[Yoshiyama, interrupting] I believe he has come here as a member of the C-90 New Majority Movement alliance.

[Salgado] No, he did not say it like that. You seem to have misunderstood. What he has said, and he has called on all the candidates to work united, with cohesion, is that he would not like to see what happened during the past congress to happen again. [end recording]

* CCD President's Political Background Reviewed

93SM0052A Lima SI in Spanish 19 Oct 92 p 15

[Unattributed article: "Yoshi, I Know You"]

[Text] How did Jaime Yoshiyama end up in government? As with so many other things, the story is quite confusing. The fact is that almost at the beginning of the regime, Yoshiyama was appointed president of Eletrolima by Fernando Sanchez Albavera, Energy and Mines Minister, his former classmate at Harvard University. The two of them (along with Blacker Miller) went there to get a master's degree in public administration (Mason Program) in 1976.

At first, President Fujimori did not recognize Yoshiyama's name when Sanchez Albavera recommended him. Then he recalled a longstanding friendship between the Fujimori and Yoshiyama families. Quite a bit older than his current favorite candidate, the president did not remember Yoshiyama very well, lost as he was in the mists of past trips to Huancayo. However, the president's exalted brother [hermanisimo] Santiago knew him well, because Yoshiyama used to visit the Japanese Embassy regularly (where the exalted brother worked) in his capacity as president of the Peruvian Association of Recipients of Scholarships from Japan (Apebeja).

As if that influence were not enough, another leading figure who was close to Yoshiyama in the early months of the Change 90 government was the then vice minister of industry, Jorge Arturo Portocarrero. Portocarrero, Italo Zolezzi, and Yoshiyama had worked at the powerful planning office of the Industry Ministry under the Velasco regime in the 1970s. Thus, Fujimori decided to call Miami from his office to offer Yoshiyama the job of running the power company. Everything stayed in the family.

Let us, however, return to the 1970s with Yoshiyama, Portocarrero, and Zolezzi at the Industry Ministry planning office. The trio were the driving force behind the statist reforms brought about by former Minister Jorge Dellephiane. When Indu Peru was created to set up other state industries, Yoshiyama became one of its pillars. Along with Admiral Javier Llerena Perez, who is also on the New Majority list, he was on the commission that intervened in Cementos Lima. The nisei engineer was a vehement advocate of statism.

It was around that time that Yoshiyama was able to realize an aspiration he had held ever since his student days. He turned all of his intelligence to the task of crystallizing a project he had long dreamed of: the Trupal paper factory in Santiago de Cao. Yoshiyama's great idea was to make newsprint from sugarcane bagasse, a waste product of the sugar industry. His calculations, and his dreams, ran up against harsh reality.

The oil crisis of the 1970s, which caused the price of "black gold" to skyrocket, forced sugar producers to use bagasse as a substitute for petroleum to heat the boilers in which they made sugar. Yoshiyama's dream went down the tubes, or rather, into the boiler. He ended up serving as an example for Maximo Vega Centeno, dean of the school of economics at Catholic University, who cites the case of Yoshiyama's paper dream to illustrate the erratic nature of Peru's industrialization process.

In 1975 the military government awarded him a scholarship to Harvard (United States), along with Fernando Sanchez Albavera and Augusto Blacker. The Morales Bermudez coup left him stranded abroad.

Forced penitence for Yoshiyama. Years later, the nisei engineer would head the current government's Privatization Commission, after having masterminded the creation of the ugliest monster of Velasco-era statism: the paper factory of Santiago de Cao, Trupal. People are right when they say that paper can withstand anything.

After the abortive experiment at Trupal, Yoshiyama decided to go into private activity. He switched from paper to scotch tape and landed at the Kuresa Company, a plastic manufacturer founded by two Jewish families, the Goldenbergs and the Lemers. He quickly rose to general manager, and became a shareholder. During the government of Alan Garcia, he was appointed to the board of directors of the Paramonga Corporation.

That was where Yoshiyama was when Change 90 came into power. Shortly after being named president of Electrolima, on Sanchez Albavera's recommendation, he was appointed transportation and communication minister. Little by little, almost without knowing how, Yoshiyama formed a liberal government tandem with Economy Minister Carlos Bolona Behr. When Premier Carlos Torres y Torres Lara fell, he was touted as a sure successor. As far as the National Confederation of Private Business Institutions (Confiep) was concerned, while former Industry Minister Victor Joy Way was Fujimori's "influence," Yoshiyama was his "intelligence."

When Fujimori fired Sanchez Albavera for resisting privatization, he turned his slanted eyes to Yoshiyama. He gave him the energy and mines portfolio and appointed him president of the Commission for Promotion of Private Investment (Copri).

Given more strength and power for the privatization process, Yoshiyama called upon his former classmates from the MBA program at the School of Business Administration (ESAN). A conspicuous member of his entourage is Jorge Lau Kong, former president of the ESAN alumni association, who quit the Ministry of the Presidency to take part in the electoral divvying up organized with National Housing Fund (Fonavi) resources.

Those who think this is Jaime Yoshiyama's political debut are mistaken. When he was a student of industrial engineering at the National Engineering University (UNI), he was president of his class. A native of Huancayo, where he attended school through the secondary level, the former minister now faces a new chalienge: becoming president of the Democratic Constituent Congress (CCD). His campaign banner: the fight against the past and traditional politicians.

* Congress to Reexamine Decentralization Process

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[Article by Giuliana Levano]

[Text] One of the priority issues on the agenda of the Democratic Constituent Congress (CCD) will be the interrupted regionalization process. The dispute is whether to stay with the model prescribed by the Law on Regionalization Bases, passed in June 1988, or to set new guidelines that would correct the previous system's errors. As the system has been put into practice, the number and magnitude of these errors has become increasingly apparent.

As is well known, the government intends to propose major revisions of the regionalization process, in terms of both its formal aspects and its underlying philosophy. In the first instance, the legal instruments on which the process is based must be reformulated, since the limits established in those instruments have been exceeded, either due to vested interests or because of the demands of the various situations in which the process is being applied.

The matter of territorial demarcation is included in this category. The National Regionalization Plan that was devised in 1984 stated that there would be no more than 12 regions; this figure has already been reached, and the regions of Lima, Callao, and the metropolitan area (which will have a special status) have not even been defined yet.

In addition, there are regional government entities that duplicate the functions carried out by other administrative bodies. Such is the case of the microregions, whose jurisdiction overlaps that of the municipalities. A similar case is that of the regional assemblies, which sometimes pass legislation that contradicts the legal provisions enacted by the central government.

It is a question, then, of redefining the attributes of the regional governments, as well as their limitations. This dovetails with the effort to rationalize the state apparatus, cutting red tape and giving it more executive power.

Effective Decentralization

However, the brief existence of the regional governments as they were conceived in the Bases Law demonstrated that the theoretical postulates of the National Plan were not being implemented properly. The objectives set forth in the plan regarding **decentralization** (understood to mean the transfer of functions and the corresponding decisionmaking power on political, economic, and administrative matters to the regions from the central government) and **deconcentration** (meaning the delegation of powers exercised by public institutions at the central level to the regional and local levels) were not carried out or were distorted in practice.

"So far, regionalization has been viewed as an administrative delegation, without any economic or social decentralization," said Maximo Perez, technical director of regional and local affairs at the Office of the Chairman of the Council of Ministers, who was interviewed about this issue. "The concepts outlined in the Bases Law were

misunderstood. The regional governments thought they had absolute autonomy (practically a state within a state), which created friction between the executive branch and the regional authorities. Under these circumstances, the central government could not exercise its normative and supervisory powers in the regions.

"Nor was there an organic transfer of public enterprises," he continued. "The regions took over the enterprises and managed them directly, which hindered the execution of major projects that required planning at the central level."

Private Contribution

What the government reportedly wants, then, is to transfer power and decentralize the economy, which means restructuring state production. The role of the state will thus be reoriented toward promotion rather than execution, encouraging private investment to participate actively in running the economy.

That is the goal of the privatization of public enterprises undertaken this year. Until a short time ago, the state was the key player in national development. But the tremendous proportions it took on made it unmanageable, so it could not meet the expectations of a country with growing demands and an intolerable administrative concentration.

The concept of development currently being used no longer regards the state as a point of departure, but makes it a promoter of growth, creating favorable conditions (legislation, economic and social infrastructure) to make private sector participation possible. It is understood that such participation would allow the effective decentralization of the economy.

As for territorial demarcation, it is necessary to bear in mind and maintain the individual regions' identities without losing sight of the possibility of integrating larger spheres. For this reason, the government proposal that will be submitted to the CCD will be based on macroregions, four or five in number, which would be able to coordinate large projects involving vast contiguous geographic areas. An example is the planned transoceanic [as published] highway that will link Peru and Brazil; the construction of this highway will involve a great effort by all the regions that will benefit from it.

As envisioned in the national plan, these macroregions would be intermediate units that would make possible development, organization of territory, and administration between the central and municipal governments, which would be the exclusively executive sphere.

The state would thus be organized into two levels:

- The central government, with regulatory and supervisory functions; and
- The municipal governments, which are the true decentralized agencies. Here the regional entity serves an administrative function.

This means restoring the power of local government. The execution of development programs would no longer be the purview of 12 regions, but of 180 territorial units. If these units are implemented properly and have the necessary resources, they could provide better services to the expanded base.

Another question that remains to be resolved is the legislative jurisdictions of the regional governments. Some central government functions cannot be delegated to the regions, such as the capacity to legislate. Experience has shown that the duplication of functions can hinder decisionmaking in the central government, so the regions could be put in charge of issuing administrative regulations, but not passing legal provisions that would overlap with the state's powers.

In any case, it will be up to the Democratic Constituent Congress to make the final decision on this and other issues involving the reorganization of the state. Beginning next January, it will lay down the new guidelines that will govern the country's democratic life.

[Box, pp A6, A7]

Experience of Provisional Regional Council Relevant

As of 5 April, the current government suspended the functions of the regional assemblies and set up a provisional administrative council in each region.

The supreme decree that would authorize these councils to begin working has not yet been issued, however, so right now there is no government managing the regions.

The aforementioned supreme decree should be published in the next few days, as the work of the provisional councils is expected to establish a precedent for what could be a reformulated regional government. At present, the regions are directed by a provisional president, a legal concept that does not exist in the Law on Regionalization Bases. The decree will confirm the presidents in office and appoint by supreme resolution the other six members of the council. One of them will hold the office of technical secretary, and the other five will hold the existing regional secretary positions.

The council is to review every action taken since 5 April, dealing with some unresolved issues such as the rationalization of personnel, which was to be concluded by 13 October. The goal is to reduce the size of regional government, integrating agencies and retaining the most qualified personnel.

If these collegiate bodies turn out to be effective in the regional administration, they may form the basis of a new system in the decentralized governments. In addition to filling the legal vacuums and putting the house in order, this experience would serve to correct the vices of a burgeoning administration that was becoming a microcosm of the incompetent state. In any event, it will be up to the Democratic Constituent Congress to accept or reject the model.

Venezuela

President Perez Holds News Conference

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[News conference by President Carlos Andres Perez with foreign and local reporters and unidentified moderator at the Miraflores Palace in Caracas—live]

[Text] [Moderator] Good morning gentlemen, special envoys, and foreign media reporters. We will now begin this news conference with President Carlos Andres Perez. The president is accompanied by Celestino Armas, minister of the Secretariat of the Presidency, and Angel Zambrano, director of the Central Information Office.

The first to arrive will be the first to ask a question. This is the simplest way. We will begin with Joaquin Ibarra of LA VANGUARDIA, Barcelona.

[Ibarra] Good morning, Mr. President. A U.S. State Department spokesperson said on 30 November that the United States is worried about the possibility of a third coup attempt in Venezuela. There have been many rumors during the past few days about a new coup attempt being planned. It is being said that on this occasion federated forces [federados] would carry out the coup, a so-called white coup, without firing a single shot. Have you given this possibility some thought? What would your answer be if the military high command were involved?

[Perez] The opportunity for rumors is as wide as an ocean; unfortunately, it is not in my power to stop rumors. But I can assure you there will not be another military coup in Venezuela. The 27 November attempted coup is the tail end of the 4 February coup. The officers who committed themselves to the 4 February coup and who did not participate at that time were involved in this one. A question remained unanswered after the 4 February attempted coup. The tanks that travelled from Valencia to Caracas bore a white stripe across their logos. They were expecting the support of the Air Force. Due to the measures adopted by the government and because the Air Force was dispersed throughout the country, that support was not attained. We also already knew guerrilla groups, extremists, and subversive groups supported the 4 February attempted coup. They did not participate in the 4 February attempt, but they did participate on 27 November.

The rumors are unavoidable, but you are here, in Venezuela, and can see what is happening. You have heard the people repudiate the 27 November attempted coup. You know there is no possibility or climate for a coup in this country. We must accept, even though we regret it, that some people think the generals and officers who lead the Venezuelan Army—and have given categorical and precise proof of their loyalty to democracy—can now be accused of being capable of participating in a subversive attack.

To summarize and conclude my answer to the LA VANGUARDIA reporter, I wish to say that the strength of the Venezuelan democratic process was proven on 27 November.

[Moderator] Richard Brown, Univision newscast, Miami.

[Brown] Good morning, Mr. President. An interview with Defense Minister Ivan Dario Jimenez Sanchez published by a newspaper in Caracas on 1 December refers to subversive soldiers who have fled to the eastern mountains. Mr. President, could you tell us if there is a possibility this will result in a nationwide guerrilla uprising?

[Perez] See how newspaper headlines have the magic ability to change things! When you talk about subversive military members, you give the impression that active military or retired military members are in the countryside. Turn to the page where news is published in this same newspaper, and it says subversive elements rather than subversive military members. Nothing else. You can read the newspaper and personally confirm it.

What the defense minister said is a reality we have faced since the 1960's. Small groups of subversives still exist in Venezuela's countryside. These groups have ties with all the guerrilla groups that existed during the 1960's. They engage in revolutionary games in the countryside. They are unimportant, and on this occasion they thought the Air Force would cooperate with them. However, they were unsuccessful.

A group in Cumanacoa, Sucre State, was immediately hunted down by the Army. Three of its members were killed, and others were arrested. Another group tried to attack Zaraza, in Guarico State, but it was immediately dispersed by the Army. Guerrilla groups have completely failed. What the defense minister actually said was that these small groups tried to regroup their forces.

[Brown] Another question, if I may, Mr. President. Where are Gabriel Puerta and Douglas Bravo?

[Perez] Intelligence services arrested Douglas Bravo and Puerta Aponte in May because the action that exploded now was scheduled to explode in May. The action involved the participation of old communist, leftist, and extremist groups. The opposition criticized the action and mockingly claimed old leaders of the movement were being resuscitated. No! They are in hiding. They are at large because they were involved in the latest subversive action. They organized the subversive action.

No one should be surprised because they seized the three leading television stations in the capital and the transmitting sites at Los Mecedores, in Catia. They first broadcast a clip of Commander Chavez sending a message, inviting the people to participate in the uprising

and inviting the people to join them. They then showed three guerrilla members, who represent the image of this uprising. They are members of the Red Flag and Third Path groups, meaning the groups of subversives who exist thanks to the kindness of democracy, but they have never represented a threat. They simply tried to become allies of the subversive movement.

What we have now is exactly what happened during the uprisings of 1960. Foreign reporters who have good files should be able to confirm this. First, we had the Carupano uprising—which we call the Carupanazo—involving only military forces. We then had the Puerto Cabello uprising—which we call the Portenazo—involving the participation of subversive groups and military forces, meaning the 1960 uprising. The same scheme has been repeated because it involves the same participants, who stubbornly insist on imposing their failed systems. They believe a government can be created in Venezuela through violence. Democracy is and will always be the system which prevails in Venezuela.

[Brown] Thank you, Mr. President.

[Moderator] Francy Juarez, from the CMI newscast, in Bogota.

[Juarez] Good morning, Mr. President. There is much concern regarding the Venezuelan Armed Forces because in less than 10 months they have tried twice to overthrow your government. Is this not a clear sign that there is no institutional solution for Venezuela? All Colombians ask about the Catia military clash that took place following the November military coup and wonder how many Colombians were killed and how many were arrested. How can Venezuela justify so much violence?

[Perez] Perhaps we should first ask how Colombia can justify so much violence. However, let us speak about Venezuela. The truth of the matter is that these two uprisings show that in Venezuela there is no possibility of a dictatorship or of a political regime to take over through violence. The strength of the Venezuelan democratic system has been shown. The reason two of these types of uprisings took place within a year is because the first one was unfinished. In the first attempt, Air Force personnel did not participate. In the second attempt, the extremists promised to let the military officers, who had some assistance from Army or land forces, take power on their own. However, this time the final blow took place as a followup to the 4 February uprising. It has also been demonstrated in Venezuela that there is no special atmosphere for violence. If the international reporters now in Venezuela truly review what happened over these past months when disturbances and riots were announced everywhere, they will find these occurred only in Caracas, that the groups were small, and that in Caracas there were never more than 50 people in the demonstrations. The most that ever happened was that a truck, a taxi, or a bus were burned. These were violent acts, of course, but never has Venezuela gone through a situation of unrest that has seriously endangered the Venezuelan Government, except for the uprisings on 4 February and 27 November.

Therefore, Venezuela is not a country shaken by violence. Venezuela has periods of violence, but these are completely defined and absolutely controllable. There has not been a single period of violence out of the control of civilian or military authorities.

Pardon me, I forgot about the Catia incident. Another important fact is that in the raid carried out on the Yare House, where the 4 February soldiers are located, subversion plans were found, including the inmate uprising and release plan so they could escape and loot Caracas. This is why it is no surprise the Catia checkpoint uprising took place at the very same time the airplanes arrived to bomb Caracas. This is a fact. It appears the order to start the uprising was the sound of the aircraft engines. How did the uprising start? By shooting one of the sentry guards, which signaled the beginning of the Catia checkpoint uprising at exactly the same time the airplanes flew over Caracas. This is another fact, the plans found in Yare. The investigation will begin to discover certain things. We do not know if there are any Colombians under arrest there or people of any other nationality. Up to now, the figures show 63 died, 52 were injured, and 28 escaped. This is the situation at Catia, where there were over 4,000 people incarcerated. On the other hand, we know the [?Colombian] Government had decided weeks before to eliminate the Catia checkpoint and had begun to transfer inmates to other prisons.

[Moderator] James Brook, of THE NEW YORK TIMES.

[Brook] Good morning, Mr. President. My question deals with corruption and perhaps a perception of impunity. As is known, this is a big problem on the whole continent. The Brazilian president is facing a Senate trial. There are four generals under arrest in Paraguay. The 4 February movement was apparently against corruption here, but we have not seen any high-ranking officials behind bars. I believe the tribunal threatened to close its doors last week, and the so-called corrupt ones were not tried.

[Perez] This has been an underlying problem of the situation in Venezuela. We cannot deny this is true, nor can we deny there are factors of corruption in our country. That is not a problem that is in question. We cannot ignore the fact that one of the grave circumstances is the use of this scandal of corruption to create a climate conducive to this situation of violence.

On a previous occasion, I met with international reporters and told them I would not complain to them about international press reports on Venezuela, as those reports repeat what is reported in our country. I can repeat that perfectly. What are the corruption cases? First, they are linked with the case of Recadi [Differential Exchange System], which was one of the things my administration eliminated when I took office. Those cases were submitted to the tribunals precisely as a result of the corrections that have been made.

For example, there was a big scandal about two cases regarding the Armed Forces. One was the case of the Margold Company and the other was the Turpial Company. These two scandals involved contracts that were made during the former administration. The government denounced the cases before the courts. The government was not involved in any irregularities. They were cases of corruption that were denounced and taken to the tribunal by my government.

However, those of you here probably have the impression those were two cases of corruption produced by actions committed in my government. If anything is clear, it is that, although Venezuela may not be alien to this problem of corruption, there have been limitations and there has been a reduction in the system of corruption. Recadi was the great system of corruption in Venezuela. At that time, the state's discretion allowed many cases of corruption to exist in our country and permitted officials at different levels to negotiate and deal with the private sector. The commercial reform establishing the customs opening—which ended the import permits, exemptions, and this system of permissibility—was clearly the reason why large systems of corruption that existed in our country were eliminated.

The truth is that during this administration we have reduced corruption in the country. We cannot, I repeat, claim there is no corruption. We must continue fighting it. We need to reform the judicial branch. The Venezuelan Government has proposed this repeatedly. We will insist on an in-depth reform of the Venezuelan judicial branch during special sessions of Congress.

As I said, the 4 February and 27 November coup attempts are the same thing. They involved the same groups and the same hunger for power. They involved a military fraternity created more than 10 years ago within the Venezuelan Army. The movement's leaders confessed this. They thought the time was right to seize power because of the atmosphere that was created in the country.

You noticed, for example, that during his appearance on television, Mr. Chavez neither asked for the president's resignation nor a reduction of his term. He did not say this process was taking place because of corruption and so on. Chavez called for the destruction of the false democracy that exists in Venezuela. In other words, a hunger for power whose goal was to return Venezuela to a dictatorship was involved here.

There is also the impunity problem you mentioned. It is true. Our law is very weak. Above all, there are groundless scandals that do not lead to trial because there are no grounds for trial. After the scandal is forgotten, no one knows the fate of the presumed culprits simply because no specific culprits are mentioned in those cases.

We in Venezuela need a greater sense of responsibility on the part of political leaders and the media. We need greater discipline in the leveling of charges and in fighting corruption. Moreover, unfortunately, this is not a Venezuelan problem. It is also a problem in the United States and all countries.

What is important is how forcefully governments are determined to fight this evil,how forcefully the judicial system is really capable of tackling it. In this area, we must admit we will not be able to fight corruption properly until an in-depth reform of the judicial branch takes place. The reforms we are currently making have reduced, in the most significant and dramatic way, the areas where corruption was present.

[Moderator] Claudio Sanchez, of Channel 13, Chilean Television.

[Sanchez] Mr. President, some people in my country, noting differences and similarities, have compared the Venezuelan situation with that of Chile in 1973. They have even compared you with then President Salvador Allende, who was asked to resign by certain segments of the population, but he refused to do so in order to complete his constitutional mandate and because he thought his government was democratic. You know what happened there. In view of a possible similar situation here, would you be willing to resign in favor of a national unity government?

[Perez] Those were mistakes of the past. We know what happened. We know that those who contributed to the toppling of President Salvador Allende, regardless of their ideological persuasion, have regretted what happened there. My presence in the Venezuelan Government has guaranteed institutional stability and the existence of democracy. There is absolutely no reason to claim the advisability of President Perez's departure; and there is absolutely no one who can replace President Perez, because a provisional government within the economic reforms process would be the most tragic option; it would preclude foreign investments, and a terrifying amount of foreign currency would be taken out of the country.

As head of state and representative of the nation, I am the one who has guaranteed and guarantees Venezuela's democratic stability. I have also made it possible to continue with economic reforms and to achieve such success. Venezuela's economic growth in the last three years has been the highest in the world.

This did not happen by chance nor could it have happened if there was not any trust in the system that leads Venezuela. This is clear. Unfortunately, there are some people who made the serious mistake of claiming responsibility for these ideas, which lead to their flight to Peru—most of these people now wish to return to the country—saying that their intellectual mentor was one of Venezuela's most prominent men. There is no proof; therefore, we cannot assume that this man [not further identified] has any connection with the coupists. However, the coupists believe he was their mentor. That is the problem that arises when this type of criticism is made. We can rest assured that the 6 December elections

will be held. Please note that the coup was attempted eight days prior to the elections. On 6 December the people will vote for their state governors, mayors, and members of the municipal councils.

This also shows THE NEW YORK TIMES reporter, representative, that substantial reforms are being made in Venezuela to correct the old mistakes and the old centralism that bestowed complete power onto the president and opened the way to many fields of corruption in our country.

[Moderator] Mr. Ben Barrer of London's THE OBSERVER.

[Barrer, in English with simultaneous translation into Spanish] Mr. President, the people we speak to in the street and the people who write in your newspapers say your government is corrupt and has lost credibility. Will you not, therefore, implement the recommendations of the Presidential Consultative Council that you appointed after the 4 February coup attempt, change Congress to a uninominal election system, and call a constituent assembly to reform the Constitution and advance the elections for a new president as recommended by the commission that you appointed? If you do not do these things, how can you prevent a third coup attempt? You have perhaps 15 percent of your Army officers in jail already.

[Perez] First, not even 5 percent of the military are under arrest. This is another of the inevitable exaggerations that take place in the media. Second, at no time did the Presidential Consultative Council recommend or propose a cutback in the presidential period or new elections. Third, elections for regional posts will be held in 10 days and elections for the president and Congress will be held in nine months.

How much more can one advance an electoral process that is provided by the Constitution? Also, all the recommendations made by the Presidential Consultative Council dealing with the executive branch were implemented. The only one pending deals with legal modifications—some of these modifications have been carried out and others have not. The president has continually pressed for these modifications at the Congress.

This does not mean we are going to blame Congress. In stabilizing Venezuelan democracy, efforts have been made that go against the basic institutions of the state. The Congress, as all democratic congresses of the world, has its imperfections. It has made reforms and has conducted important activities. It has not, unfortunately, done things we expected it to accomplish, such as the judicial branch reforms.

Congress worked throughout 1992 without a recess. It passed a series of important laws. I repeat, however, laws such as the judicial branch reforms and the law on the comptroller submitted by my government have not been approved yet. I have continually favored and supported—according to the recommendations of the Presidential Consultative Council—the direct vote. Unfortunately, it has only been partially achieved. For example, for the December 1992 elections, two-thirds of the persons elected to the municipal councils will be elected by direct vote. The reforms in favor of the people's aspirations have been intensified in these aspects, yes. The process in the Congress to reform the Constitution is paralyzed.

One can state emphatically, however, that the problem of Venezuela is not only reforms to the Constitution. Although the constitutional reforms could be updated, they are reforms. Any actions wanted by the country can be carried out through these reforms—through reforms to the judicial branch—to improve the control of public spending, etc.

For example, on 30 November the Congress approved the new law on the Central Bank of Venezuela, which grants it absolute autonomy. During all these years, therefore, there have been substantial reforms to our system. As I said, the commercial reform has removed the discretionary powers of the president of the Republic. The president, who formerly appointed governors, proposed they be elected directly. That is being done here and has permitted the removal of another branch. My government has stripped itself of an important percentage of power held by former presidents.

[Moderator] Pablo Sotero, O ESTADO DE SAO PAULO.

[Sotero] To assess and to appreciate the success of the elections, what are your expectations regarding the voter turnout in the 6 December elections?

[Perez] I am sure that the elections on 6 December will be massive and will demonstrate the people's repudiation of this coupist attempt. It clearly unmasked the 4 February process. It showed precisely what these coupists sought. They are not idealists who were trying to save the fatherland, but people stricken with a greed for power, who organized a military lodge, and who joined extremist groups of the past to produce a violent coup in Venezuela. That, I repeat, has definitely been discarded in our country.

[Brook of THE NEW YORK TIMES] In your 29 November speech, you spoke of errors and mistakes that you might have made. Can you say what you were referring to and what you would have done differently?

[Perez] I think that if anyone were to say that he can carry out a human activity without error, we would have to find him a room in one of those special hospitals for mentally deranged persons. One cannot think of that. No, they were not errors.

The country has had a difficult time absorbing the profound economic reforms we have had to make. It was impossible to resolve the national problem without

facing these reforms. I had the courage and that determination. The essential results of the reforms are quite obvious.

You must know that Venezuela was the most subsidized country in Latin America. There is no comparison with Mexico, Argentina, Colombia, or any country. Public utilities were not paid here. Taxes are not paid here. In Venezuela the volume of income tax represents barely 3 percent of the gross domestic product. These reforms, which are intended to make people pay taxes, which tend toward economic restructuring, which tend to have people pay public utilities, all of this caused a lot of commotion among the people. That, however, could not be avoided. We had to face up to the situation.

Among these measures, of course, we could probably judge some as errors, omissions that were committed. That will be up to history to decide, rather than me. What I can tell you is that we are on the right path, that I will not veer from the course, that I will not go back on the direction of the change. As you can see, nobody has come up with a different system. Nobody has said: We must change President Perez, because we must resume price controls. Only extremists say things like: We must resume exchange controls; we must return to subsidies. Only extremists say these things. The essential measures are being carried out during my administration. They have the support of all productive sectors in Venezuela.

Turning to another topic, you will note that in Venezuela the popular sectors are protected from the worst difficulties they might endure. Regarding what is being done in Latin America, there are no social programs of the kind that are being carried out in Venezuela. We have 2 million families under direct subsidy. We have 3.5 million children under Father Agustin Llorec's fund. They are given free uniforms and school supplies. We have progressively eliminated school truancies, which were very dramatic in Venezuela. The mothers know their school-age children are going to receive their nutrition allowance, their uniforms and school equipment, and they are sending their children to school. The popular sectors here are protected.

Statistics show how infant mortality has diminished, how the nutrition rate among Venezuelans has improved. So we cannot feel dissatisfied with our accomplishments. Of course, the impact on those in the middle income brackets has been profound. An unprecedented situation had been created here, where the nonpayment of any utility, the nonpayment of taxes, created a precipitous situation. In the past our oil revenue covered this situation. In 1990 the Venezuelan state received $10.5 billion in oil revenue. In 1991 it received $8 billion. In 1992, it will be getting $7 billion. From $10.5 billion to $7 billion, we see the profound impact that the drop in oil income has signified for Venezuela. That is the tragedy.

Also, we have an immense debt which, thanks to a timely refinancing and to the fact that we were able to obtain it, we were able to reduce. In 1988 over 50 percent of oil revenue was paid to service the debt.

[Moderator] Javier Saenz, Spanish television.

[Saenz] Mr. President, first I want to state our solidarity with our fellow channel 8 journalists, who were savagely mistreated by the coupists. I also want to state our solidarity with our fellow Radio Rumbos journalists, who suffered some attacks. We would like to know the reason behind this attitude toward Radio Rumbos and the decision to suspend Mr. [Jose Vicente] Rangel's program. Don't you think this situation shows the world an image unbecoming to Venezuelan democracy at a time when democracy should appear more firm and consolidated?

I also want to ask you: Why were foreign television networks not allowed to transmit any footage or information through normal channels, meaning over satellite, and why were they compelled to send it by airplane or by land instead? Why were foreign networks forced to broadcast from the Central Information Office, where an official indicated what we could and could not broadcast on 4 February?

[Perez] Well, I would like to tell you this: We must bear in mind the kind of situation that prevails when a country is in a state of war and the one that prevails when things are normal. I believe no country.... [pauses] Not even our friends in Spain can believe activities could be carried out normally if Madrid were being bombed. I think you understand this and I ask foreign correspondents to be more understanding.

Look at Venezuela and all the freedom that prevails in our country. Do not be so unfair as to claim there is no freedom here simply because certain situations prevail. What happens is that freedom must be restricted at a given moment to defend the country. We could not allow an intolerable situation in Venezuela for the sake of pleasing a Spanish correspondent. This I can tell you categorically.

Regarding Radio Rumbos, the station director has admitted it was being used to encourage the bombing of certain areas in the capital. The people were being encouraged to go out and support the coup. Do you believe, Messrs. correspondents, such a situation should be allowed in your countries or in any country? The answer is obvious. You bear witness to the freedom that prevails here. There are no limitations here.

You saw how the channel 8 people were massacred. If we had arrested those who were going to kill them without having the proper evidence you would have provoked an uproar and you would be here asking us why they had been arrested. Fortunately for the killers, there is never enough evidence to arrest and condemn them beforehand. The government knew about the conspiracy but it lacked the evidence.

We were able to anticipate things and counter the situation, but we lacked the evidence to arrest them. If we had arrested them you would be here protesting their arrest. That is the problem with a democracy. You are able to complain here because we have a democracy. You would not be able to complain here if we had no democracy. There is complete freedom here, but the state has to defend itself. It cannot allow certain activities that may provoke incidents during a state of emergency like the one that prevails in Venezuela.

[Saenz] Excuse me, Mr. President, but why can't foreign television correspondents broadcast their footage?

[Perez] I do not know that. [unidentified speaker murmurs in the background]

[Saenz] We are not encouraging anything.

[Perez] Excuse me, I am told the satellite facilities in Camatagua were bombed. It was impossible to broadcast anything. There it is. What can we do? That is the reason. Who can possibly think we will interrupt communications with another country in this day and age? The formidable media that exist nowadays make it impossible to prevent communications. It would be foolhardy to do this. When you mentioned the system, I asked the Central Information Office minister. I was told the satellite stations in Camatagua were bombed.

[Saenz] Do you think that they can be repaired?

[Perez] They were toppled by aircraft fire.

[Saenz] Do you think that they can be repaired?

[Perez] Yes, of course they can be repaired, but it will take time.

[Saenz] Thank you very much.

[Perez] Radio Rumbos, which has the largest antenna to cover the country and all of Latin America, also had its towers downed by the rebel aircraft, despite the fact that it was inciting the people to rebellion.

[Saenz] Thank you.

[Mariusa Reyes of the Latin American Department of BBC] Good morning, Mr. President, how does your government interpret President Fujimori's decision to grant asylum to the soldiers who left the country? Did you expect a different response?

[Perez] No, we are democrats. We respect both national and international laws. The decision to grant asylum is established by the country granting the asylum. This is a decision that is in the hands of the government where the soldiers arrived. We, therefore, do not have any complaints. Each president, each government has his own responsibility.

[Reyes] I have another question. What will your government think if, during the 6 December elections, your party, the ruling party, is not broadly favored by the people?

[Perez] We will think democracy prevailed. That is what democracy means—majority parties win. That, of course, alters the picture to the extent that the election changes those who are responsible for certain positions. That is precisely the democratic way.

[Reyes] Specifically regarding your government, regarding its power and legitimacy....

[Perez, interrupting] Absolutely, my government is absolutely legitimate. I was elected by direct vote by the immense majority of Venezuelans. The Constitution established a five-year period. Polls show that 70 percent of Venezuelans object to changing the current government before the end of its term. Opposition members and friends also are opposed.

[Reyes] Thank you.

[?Nick Holtbic of Volkstranck, Holland] I think, Mr. President, that you have many enemies. When I walked through the street I sensed hatred among the people when I mentioned your name. I see that you walk through the streets with a small group of Armed Forces members. Are you afraid of being assassinated someday?

[Perez] Look, young lady, I invite you right now.... [pauses] The other day I invited a reporter to walk with me on the street to see the type of attention I receive. There are persons here who can count the adventures we have had—without any bodyguards. I walk in the countryside every week. I mingle among the crowds everywhere. I encounter the same attitude of appreciation and support everywhere. Those are the lies, therefore, that contributed to creating the coup situation. The rebels launched the invasion at 0600 in the morning because they expected the people to be awake. Mr. Chavez aired a message on the three most important television channels and invited the people to go out on the street. The Venezuelan people, however, neither in Caracas nor in the countryside, rallied to their support.

I have persons who oppose me, of course. It would be incredible if I did not. Also, unfortunately, there are people who hate me, but it is not the majority of the Venezuelan people. On 30 November, after I walked through the neighborhoods—which are more difficult to walk through because there are more problems—I went to Lidice to inaugurate a popular drugstore. I walked out on the street with the people.

[?Holtbic] Without bodyguards?

[Perez] Without any bodyguards, I went out to walk with the people. That is the existing reality. Venezuelan reporters can tell you about it when they go to the countryside.

If you like we can give you some videotapes of my rallies in different parts of the country, showing me surrounded by the people and without bodyguards. This is the kind of thing invented as part of a political campaign, above all, a subversive campaign, to make people believe that the president of the Republic is a person who has brought foreign bodyguards, has been compelled to bring in Cuban bodyguards, and who cannot go anywhere without being surrounded by a group of bodyguards. That is totally untrue. Traditionally, the president of Venezuela does not go out with bodyguards and I think it is the same as in all other countries. I always manage to leave my bodyguards and mingle with the people wherever I go.

[Moderator] Patricia Hernandez from UNOMASUNO in Mexico.

[Hernandez] Mr. President, two brief questions. First, in what way do you think the 27 November incidents will influence Venezuela's economic plans for the near future, including free trade treaties, the Enterprise for the Americas Initiative, and foreign investments? Second, can you expand on the information about Peru? Is the asylum granted to the soldiers perhaps an act of vengeance by President Fujimori, given the rupture of relations between Venezuela and Peru?

[Perez] Referring to economic issues, it all depends on the Venezuelan people and the benevolence you feel to judge the situation in Venezuela objectively. Foreign investments continue to flow into Venezuela. The gowth of the gross national product during the first nine months of 1992 was 8.9 percent—the highest in Latin America and the world—but if our people do not act as they should, meaning wisely, an overwhelming situation can arise.

If I left the government right now, the country's economy would collapse violently. There is no doubt about this. If the 27 November coup had triumphed, the Venezuelan economy would have crumbled undoubtedly. It remained unchanged until now. What happened on 30 November when the stock market and foreign exchange offices opened? The dollar exchange rate remained more or less stable, which is very important. This means the country continues to trust our government. It all will depend on how we maintain the situation.

Referring to the other question, my government is a democratic government. It acted in a responsible way when the need arose. A dictatorship undoubtedly has developed in Peru. Congress was dissolved. We cannot accept a democracy in which a man, or the military, confer on themselves the right to rule the country without legal or congressional controls. That was the position adopted by Venezuela in a dignified way. We have no confrontation whatsoever with the Peruvian Government. President Fujimori can do what he wants, according to his responsibilities. If the government has any claim, it will be pressed according to international law. That is our definite, dignified, and responsible position, as corresponds to a democratic government.

We are not thinking about revenge or retaliation. That is not what the country wants. All it wants is to continue participating in the struggle for democracy in Latin America. We have requested an OAS Permanent Council meeting to study the situation in Suriname. Given all the situations that have arisen, it seems the ambition of a military leader has resulted in another attempt to seize power. I repeat: Venezuela's position supports the struggle for democracy throughout Latin America. We could not care in the least about the rest.

Going back to Peru, elections were held there recently and everything seems to indicate that they included the direct participation of many groups. That regime, however, has yet to achieve legal status. The Venezuelan Government would have no objection to a reinstatement of relations when it is ascertained the Peruvian Government has achieved legal status as a democratic government. We will see that after the Democratic Constituent Congress meets and after we ascertain that it has autonomy and freedom to legislate.

[Moderator] Roman Orozco, from CAMBIO 16 magazine.

[Orozco] Good morning, Mr. President. The economic statistics show that your government has enjoyed a bit of success, as in economic growth and in the fight against inflation. The general feeling among the popular masses, however, is that life in Venezuela gets harder with each passing day. They have fewer resources for food and for a dignified way of life. Some studies claim that almost 80 percent of the Venezuelan people are either on the verge of poverty or are living under the poverty level. How can you explain this? Would this not be....

[Perez, interrupting] That is absolutely false.

[Orozco] But it is based on published data.

[Perez] This is a problem of propaganda and political infighting. If one were to gather data from trustworthy sources one would find that here in Venezuela less than 40 percent of Venezuelans have [economic] problems, and that all of the people are subsidized. Do you know how our subsidy system works? In Venezuela we make a computer listing of all the children registered in the country's schools—in public schools or in private schools for poor people—up until the sixth grade. We list them all. Then the banks, through the national banking system, open one Thursday each month to deliver the monthly food subsidy to the children. What does the subsidy consist of? It consists of a certain amount of bolivares, in currency, and of a number of kilos of milk, or bonds, to obtain milk and cereal in any grocery store. This is given to the mothers of 3.5 million children, which is more than half the number of children enrolled in Venezuelan schools.

Then there is the program for children under six. For them there is the Pami program, the expanded mother-infant program, that takes care of them from their mother's womb up until the age of six. Under this program medical consultations currently are provided for 2.5 million children under six, and they are given nutritional supplements in the walk-in clinics throughout the country. These social programs do not exist anywhere else, and they provide protection for the popular sectors. This is why the popular sectors are sympathetic toward this administration.

I cannot deny, however, that certain sectors of the country, particularly the middle class, are very unhappy—and justifiably so—over the changes that the cost of living increase has wrought to their lifestyle, the situations created by the establishment of the prices of public services, and so on.

[Orozco] Would you then say that today Venezuelans are better off than when you were elected?

[Perez] No, never, never. We have, however, stopped the tendency of lowering wages. The real salary of Venezuelans has not continued to deteriorate. From 1990 onward, the Venezuelan people's real salary has been on the rise, but on what bases? On the bases set in 1980, on the salary figures that Venezuelans achieved in 1980. Therefore, we still are in serious trouble. I do not want you to get the idea that I am painting a picture of paradise in Venezuela for you. Venezuela has serious problems. It has very serious problems in areas such as the acquisition of goods for the lower income sectors. The social programs have permitted this situation. [as heard]

Then we have unemployment. From more than 11 percent, unemployment already is dropping to 7 percent. This fact is recognized by all sectors. Then there is the increase in the consumption of widely used products, not in price—which in fact has increased—but in volume. In 1992 consumption increased by 15 percent over 1991, in which it also enjoyed a large increase thanks to the direct subsidy programs of the national government. Therefore it is evident that it has decreased.

Here there are no demonstrations by unemployed persons in any part of the country. I ask you to review any Venezuelan newspaper: for example, ULTIMAS NOTICIAS and EL UNIVERSAL, which run the most number of ads. You will see thousands of ads asking for workers at all levels. We have launched a selective immigration system to attract workers from Eastern Europe and other countries, because there are a number of activities here that require skilled technicians and other important workers to continue expanding the activities that are underway in the country.

For example, we are facing a serious problem in construction because we have a hard time finding plumbers, bricklayers, and skilled workers. We modified the National Institute of Cooperative Education, which is now in the hands of workers and businessmen, in order to train people as soon as possible to be able to meet the country's current demand for workers. There is a great deal of confusion about what is happening in Venezuela. Reports flow one after the other and contradict each other, thus giving the impression that you just expressed.

I would suggest that you visit a private organization that controls the food system; namely, the Venezuelan Chamber of the Food Industry, and ask what the food sales situation in Venezuela is like.

[Moderator] Jose Ignacio Aguirre of National Television of Chile.

[Aguirre] Good morning. In Chile we have received several reports, including one about a poll showing that approximately 96 percent of Venezuelans reject your government and want you to resign. We confirmed that report by polling citizens at random on the streets. The people said that you, not the system, are provoking this atmosphere of instability. If you or your party were to suffer an overwhelming defeat in the 6 December elections, would you be willing to resign?

[Perez] I said no. The stability of the Venezuelan Government and the future of Venezuelan democracy depend on our respecting constitutional provisions.

[Aguirre] How would you solve this crisis that already has produced two coup attempts? These attempts reveal that there is a crisis of institutional stability. Besides saying that you will not resign, what solution could you give Venezuelans to guarantee that there will be no more coup attempts?

[Perez] The proof is that the two coup attempts were controlled by the authorities and the chief of state's presence. The coup attempts were controlled. The entire country recognizes that. Second, the rebels' proclamation makes no mention of that but of establishing a government against democracy. That is clear. The poll you mentioned is false. This process is the consequence of imbalances in Venezuela caused by violent economic changes that we have had to make. That is clear to us.

The same newspaper that published that poll also published a completely different one. When it comes to polls, we must find out who conducts them and for what purpose. I am not, at this moment, the totally popular man I was when I assumed the government. I do not govern through polls. I govern for the benefit of the country. I know I have the support of a substantial majority of the country.

Do you think the people on the many streets and in the towns could not demand my resignation during the five hours that Caracas was bombed? Mr. Chavez, who was described as the country's leader, came on television and constantly urged the people to take to the streets and support the revolutionary movement. I think we must be rational and view things as they are.

[Moderator] Mr. Jose Comas of El PAIS of Madrid.

[Comas] The questions of my fellow reporters continuously reflect doubts about whether most Venezuelans support you, whether you are popular. Do you not think one way to have settled the issue could have been to accept the possibility of linking a plebiscite to the elections? Also, could the government reveal the names of those who appeared on television? Could it reveal their whereabouts and what groups they belong to?

[Perez] Well, as for the first part of your question, of course that is one of the problems that always emerges in situations like this one. Is that not right? The president of the Republic has the people's basic support and he must adhere to the Constitution. I must not tolerate or create precedents that will harm the country's constitutional future. The Constitution establishes that the president's term is five years. To violate that without a constitutional reform would do tremendous damage even to the constitutional process. Something could happen to a future president.

For example, one of the people who wants me to step down is former President Caldera. When he was president he had but 29 percent of the vote, which is the lowest percentage my popularity has ever reached. If President Caldera had been asked to conduct a plebiscite, he would have left the presidency right after arriving. We must accept the system established in the Constitution, which contains the golden rules of democracy. The Constitution has even been described as divine law. The world has accepted divine law as a means of governing countries. The right to elect heads of state was accepted later and a term was established. Nowhere in the world is there a system through which to request a referendum on a president midway through his term or at any time during his term. A president's popularity can drop at any time. That is natural due to the measures he must adopt. However, if the length of his constitutional term were not established in a specific and concrete manner, anarchy would prevail.

This is why I cannot agree to a plebiscite that is not established in the Venezuelan Constitution. When we violate the Constitution we are open to coups, and no one has to respect anything because the Constitution, which is a rigid, inflexible, and fundamental rule, can be violated by any one. This, simply, is the cause of this situation.

[Comas] What of the identity of the figures who appeared on television?

[Perez] An investigation is underway. It is part of the indictment process, which is why we have not disclosed any names whatsoever.

[Moderator] We will thus end the president's news conference....

[Perez, interrupting] I only want to conclude by thanking all of you for being here, and to ask you to truly reflect on the country's reality, the tranquility that exists in Venezuela, our process of economic growth, and the immense number of construction projects underway in Caracas. Tell the people to visit different parts of the country and see the tranquility that exists in Venezuela. Tell them to visit the neighborhoods and to stop pushing the view that Venezuela is an unstable, insecure country where citizens cannot conduct their daily affairs. I would beg this of you as I thank you for attending this meeting with me and for listening to my views regarding the country's situation. Thank you very much.

[First unidentified reporter] (What is the situation with the guarantees?)

[Perez] I am going to hold a cabinet meeting today to restore another portion of the guarantees. All of the guarantees cannot yet be restored because we are faced with the problem of all those individuals who escaped and are involved in activities. We must guarantee that situations like this one will not be repeated.

[Reporter] What other guarantees [words indistinct].

[Perez] We are going to restore various guarantees. We are going to restore freedom of movement, expression, and gathering.

[Second unidentified reporter] What about the curfew?

[Perez] With the restoration of freedom of movement, the curfew is eliminated.

[Third unidentified reporter] Mr. President, on 1 December the State Department warned of another coup attempt.

[Perez] It did not warn, by God. It did not warn. The State Department, as any individual, can say what it pleases. The State Department said they [the United States] support Venezuelan democracy against any attack that may take place against it. That is what the State Department said.

[Moderator] Thank you very much for attending this news conference.

[Fourth unidentified reporter] [Question indistinct]

[Perez] The trials have begun. By the way, this is very important. The military criminal trial code establishes special procedures to carry out trials without interruptions, without any type of interruptions. Therefore, in 10 days those tried for participating in the attempted coup surely will be sentenced.

[Fifth unidentified reporter] Including Chavez, Mr. President?

[Perez] Of course, the rebellious troops will first go before the Supreme Court of Justice.

[Sixth unidentified reporter] As commander in chief, will you order a purging of the Armed Forces?

[Perez] Venezuela is a democratic country. Purges are done by Communist parties. There will be no purges in Venezuela. [reporters heard laughing]

Further Perez Comments on Coup, Economic Crisis

PY2811165092 Montevideo Radio El Espectador Network in Spanish 1500 GMT 28 Nov 92

["Exclusive" telephone interview with Venezuelan President Carlos Andres Perez from Caracas by unidentified El Espectador correspondent—recorded]

[Text] [Correspondent] Mr. President, I am speaking from CX-14, El Espectador radio station in Montevideo, Uruguay. I am pleased to talk with you. How is the situation in your country?

[Perez] The situation returned to normal in my country yesterday. The people's magnificent civic attitude has provided great cooperation because the coupists remained totally alone, and the Armed Forces responded as a single man, except for the small group of Air Force insurgents. Not one military garrison in Venezuela experienced any kind of problem. Only the air bases that were controlled by the group of coupists [words indistinct], which is the only thing that happened.

[Correspondent] Mr. President, how is the economic or social crisis—which experts say was the cause of this coup attempt—being managed by your administration?

[Perez] Look, the most important social program that is being implemented in Latin America is being implemented in Venezuela. These are not mere words or the president's wish to conceal any situation. Half of Venezuelan families receive a direct subsidy to compensate for the situation created by the economic adjustments. That is, 15 percent of the national budget is spent in direct subsidies for the population. All schoolchildren, in all neighborhoods, districts, and towns, that is, 3.5 million children receive a monthly food scholarship, consisting of money and a powdered milk and cereal bonds. All schoolchildren receive a complete school uniform, shoes, and school supplies at the beginning of the year.

This means that here people are protected from the serious economic crisis [words indistinct] .... to seven percent, which are figures that are accepted by international organizations. We are living through a crisis, but we have been attentive to the people's problems. This is why no incident took place yesterday in any Venezuelan neighborhood.

[Correspondent] Mr. President, we have learned that several of the coupists requested political asylum in Peru. Will you request the extradition of these men to judge them under Venezuelan law?

[Perez] Well, yes, all we know is that they fled in a C-130 transport plane, and they arrived in Peru. We have yet not received any official report on this, but we do know that a group of 150 people arrived there. They also took along more than 30 soldiers; I do not know why.

As I said in my speech yesterday, Venezuela will sternly punish those responsible for this regrettable action, but within a framework of respect for the Constitution and the law. I must add that this latest event will be analyzed within the framework of international and national law [passage indistinct].

This is a decision I must make because although there is no doubt that the situation is totally normal, I also must consider what the Venezuelan people must think if I leave the country soon after an event of this kind. Therefore, I sincerely tell you, I cannot confirm that I am going there, but I have also not made a definite decision. I will study the situation and consult with some political leaders whether it is convenient to leave the country. I have talked with Argentine President Carlos Menem, one of the presidents who phoned me, and I mentioned this possibility to him.

[Correspondent] Mr. President, [words indistinct] knowing the situation you are living through and that life has returned to total normalcy in Venezuela, how long will the curfew and the suspension of individual liberties be maintained?

[Perez] Well, the situation is as follows: As we said last time, this group of insurgent military men were supported on 4 February by subversive groups remaining from the Communist guerrillas. On 4 February, the military wanted to act alone, but yesterday [words indistinct] .... with these guerrillas, with these subversive groups and terrorists. Therefore, some terrible crimes were committed here yesterday. For example, yesterday morning, two blocks from Miraflores Palace, a patrol of young soldiers, members of the Honor Guard, were taken by surprise at a corner by a group of these [word indistinct] who threw them to the ground and killed them.

[Reporter] Mr. President, do you know the origin of these movements? Who do they represent?

[Perez] Well, these movements were organized during the heat of the Cuban revolution; they constituted the guerrilla movement in Venezuela in the sixties and beginning of the seventies. They are clandestine movements. One of them is called Red Flag, another one is called Third Path, etc., etc.. Well now, yesterday, they openly appeared on the scene. They were the only land shock force the insurgents had because no other Army group or any one else helped them. These guerrilla groups were the ones that acted and committed violations. This is what requires us to maintain certain controls to try to find them because they could become snipers and disrupt public order.

That is what forced us to suspend constitutional rights and to enforce a curfew. However, the curfew, which began at 1800 last night, today will begin at 2200. This

means we will reduce it gradually as we manage to control them [words indistinct] to liquidate these terrorists who are at large. Therefore, it will not take long.

Today, we also will modify the decree suspending the constitutional guarantees to only partially restrict some guarantees so that the elections for governors, mayors, and councilmen which are scheduled for 6 December may be held in calm. Therefore, the situation will be normalized.... [passage indistinct]

I thank you very much. We like Uruguay very much. [words indistinct]

Caracas Governor Updates Situation

PA0112144392 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 1 Dec 92

[Interview with Caracas Governor Antonio Ledezma by Guillermo Rodriguez in Caracas—live]

[Text] [Rodriguez] Good morning. Caracas is calm; Venezuela is equally calm. Naturally, there are still problems, particularly because the U.S. State Department has revealed the possibility of a third attempt to stage a coup. If Washington says it, we must believe it, say people in Caracas. Referring to another much more complicated issue, which we reported last night, Defense Minister General Ivan Jimenez announced that a group of subversives has fled to the mountains. We hope this does not represent a resurgence of the guerrilla groups that operated in the 1960's. Moreover, Attorney General Ramon Escovar Salom has stated that the 6 December elections can hardly be held without constitutional guarantees. Naturally, this has caused concern among the Venezuelan people.

We are now with Caracas Governor Antonio Ledezma, a young man who controls this important area of the Republic of Venezuela.

Good morning, governor. Thank you very much for agreeing to talk with Emisoras Caracol. Do you fear, like the United States, that a third coup attempt will occur?

[Ledezma] I want to greet all the Colombian people. When we talk with Emisoras Caracol, we also talk with these friendly people, who have remained alert to Venezuela's situation. We appreciate their concern from the bottom of our hearts. I must tell you, as you have ascertained, that the situation in Caracas is absolutely normal. It is almost certain that constitutional guarantees will be restored this morning. This represents a scoop for Emisoras Caracol. The calm that prevails in the capital and the rest of the country has improved.

[Rodriguez] Governor Ledezma, you are giving us an authentic scoop. Will constitutional guarantees be restored both in Caracas and throughout Venezuela?

[Ledezma] Yes. In fact, the Council of Ministers was summoned for approximately 1030 this morning. I am almost sure the president of the republic and the Council of Ministers will cancel the suspension of constitutional guarantees, and the president then will address the country at approximately 1230 [1630 GMT].

[Rodriguez] This would completely clear the road for the 6 December elections, right?

[Ledezma] Of course. This would facilitate the electoral process and encourage the Venezuelan people to participate in the elections to appoint mayors, governors, and councilmen.

[Rodriguez] Governor Antonio Ledezma, is it advisable to annul the suspension of constitutional guarantees implemented on 27 November, particularly after Defense Minister Jimenez announced on 30 November that several soldiers who participated in the foiled coup have fled to the mountains?

[Ledezma] Judging from what I have heard from other cabinet members, I think the Council will eliminate the curfew and allow free traffic. Guarantees will be suspended, however, concerning street demonstrations. It would not be advisable to restore that right today. I believe the rest of the guarantees must be restored because the Armed Forces' solidarity is clear, there is a consensus among the leading opposition political parties, and the Venezuelan people have behaved in a civic and democratic way.

[Rodriguez] Governor, will freedom of the media be equally restored?

[Ledezma] Yes, that too; it is almost certain because the media have maintained a positive attitude. Information has been broadcast objectively. There were some problems, but we have been able to solve them because the most important thing is to protect Venezuelan democracy.

[Rodriguez] Governor Ledezma, is the situation at Catia Prison under control?

[Ledezma] You pronounce it Catia.

[Rodriguez] Catia.

[Ledezma] The situation is completely under control. That was a very deplorable situation; the coupists' plan was to provoke a large-scale breakout from Catia Prison so the inmates, approximately 3,000, would escape and immerse the capital of Venezuela in chaos and anarchy. I have been saying that Catia Prison should be moved from Caracas. I have worked with the justice minister and we have definite plans to relocate this prison early in 1993.

[Rodriguez] Is there an official figure on the deaths that occurred as a result of the riot in Catia Prison?

[Ledezma] Sixty-six, more or less; I believe that is the official figure. Sixty-six inmates died in that prison.

[Rodriguez] How many inmates have been relocated to other prisons and how many will be relocated in the near future?

[Ledezma] Approximately 1,700 have been relocated. This will allow us to vacate Catia Prison in a matter of weeks.

[Rodriguez] The 3,000 inmates who were being held in Catia Prison are essentially common criminals?

[Ledezma] Yes, the most critical thing is that most of them were in different stages of the legal process rather than serving a sentence. They have been charged with different crimes, but mostly common crimes.

[Rodriguez] Governor, had any of the inmates participated in the foiled 4 February coup?

[Ledezma] Like I said before, one of the coupists' tactics was to facilitate the inmates' breakout. They obviously infiltrated some people to provoke this abnormal situation.

[Rodriguez] There are more snipers? Is everything calm in Caracas?

[Ledezma] Absolute normalcy prevails in Caracas, and the government is exerting absolute control. The people's behavior has been truly extraordinary, excellent, and civic.

[Rodriguez] Governor Ledezma, we thank you for agreeing to speak with us. You have provided us with the most important news of the day. The suspension of constitutional guarantees implemented on 27 November will be canceled today.

Government Reinstates 3 Constitutional Guarantees

PA0212211192 Caracas Venezolana de Television Network in Spanish 2012 GMT 1 Dec 92

[Speech by President Carlos Andres Perez on 1 December; place not given—live or recorded]

[Text] I wish to inform my fellow countrymen that the special Council of Ministers session held on 1 December approved a reinstatement of the constitutional guarantees provided for in Articles 64, 66, and 71 of the national Constitution.

The first article refers to freedom of transit, and therefore, this eliminates the curfew. The second article refers to freedom of expression, and the last refers to the freedom to hold meetings.

In this way we are complying with a request made by the Supreme Electoral Council to the government. In addition, the national government is striving to ensure that there will be no pretexts or obstacles to the 6 December elections and to see that they are held with the utmost security and guarantees. In that way all Venezuelans will be motivated to vote so we will finally eliminate antidemocratic behavior and reaffirm Venezuelan democracy as the way of life all Venezuelans desire.

Two Unidentified Coupists Escape From Yare Jail

PA0112165092 Paris AFP in Spanish 1612 GMT 1 Dec 92

[Text] Caracas, 1 Dec (AFP)—Caracas Radio reported on 1 December that two Venezuelan Army lieutenant colonels, leaders of the 4 February foiled military coup, have escaped from Yare Jail, 60 km west of Caracas.

The radio station did not say whether the two officers are Hugo Chavez and Francisco Arias, the main leaders of the 4 February attempted coup.

It was also reported that three civilian prisoners also escaped.

Yare Jail is located near Guaicaipuro Military Garrison which, according to statements by Defense Minister General Ivan Jimenez, was attacked by unconventional forces on 30 November.

Government Denies Jail Break

PA0112174492 Madrid EFE in Spanish 1704 GMT 1 Dec 92

[Text] Caracas, 1 Dec (EFE)—The Venezuelan Government denied on 1 December a report broadcast by Radio Caracas on the escape from Yare Jail of five soldiers, including two lieutenant colonels, who were involved in the 4 February foiled coup.

Colonel Ramos Mendez, Justice ministry defense and social prevention director, denied the information after giving assurances that the situation at Yare Jail, 60 km south of Caracas, is normal.

"I talked to the Yare Jail director, who assured me there has been no escape," Ramos Mendez stressed.

On 1 December Radio Caracas reported that five soldiers had escaped from Yare Jail at dawn. They escaped through a tunnel they built inside the jail.

Lt. Col. Hugo Chavez, the most prominent leader of the 4 February attempted coup, and Lt. Col. Francisco Arias and Lt. Col. Joel Chirinos are being held in Yare Jail.

On 1 December President Carlos Andres Perez said the government had searched Yare Jail and found plans for the 27 November attempted coup.

Chevez Death Rumors Denied

PA0112191492 Paris AFP in Spanish 1824 GMT 1 Dec 92

[Text] Caracas, 1 Dec (AFP)—The Venezuelan Defense Ministry reiterated that Lieutenant Colonel Hugo Chavez is alive. The Defense Ministry was rejecting rumors that Lt. Col. Chavez died during an attempt to escape from Yare Prison, 60 km west of Caracas.

Defense Secretariat Director General Nestor Lara pointed out the rumors "are absolutely false" and are only "intended to confuse the public, as well as create a climate of anguish and uncertainty."

In statements transmitted by the state official news agency, Venpres, Gen. Lara reiterated that the activities in Yare Prison are "absolutely normal." Ramos Mendez, the Justice Ministry official responsible for prisons, denied rumors about any escape and informed a Caracas radio station that Yare Prison Director Alfredo Ramn Palacios had recently corroborated the information.

Passanger Plane Makes Emergency Landing in Cuba

PA0212011292 Caracas Venezolana de Television Network in Spanish 2350 GMT 1 Dec 92

[Text] A Servivensa Airlines plane, covering the Maracaibo-Miami route with 116 persons on board, was forced to land in Santiago de Cuba after the pilot was advised that a bomb had been placed on board.

Tulio Prado, civil aeronautics director of the Transportation and Communications Ministry, said that the plane will continue its flight to Miami once the plane has been inspected. Prado pointed out that pilot Armando Marcano was alerted to the bomb threat by the control towers of Kingston and Havana. Therefore, he requested the Cuban authorities' permission to land in Santiago and check the aircraft.

The plane had taken off from the Maracaibo airport at 1050 [1450 GMT] on a direct flight to Miami with 108 passengers, five flight attendants, and three other crew members.